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⁽¹⁾ Text with EEA relevance

EN

Acts whose titles are printed in light type are those relating to day-to-day management of agricultural matters, and are generally valid for a limited period.

The titles of all other acts are printed in bold type and preceded by an asterisk.

I

(Acts whose publication is obligatory)

**COMMISSION REGULATION (EC) No 560/2002
of 27 March 2002
imposing provisional safeguard measures against imports of certain steel products**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 3285/94 of 22 December 1994 on common rules for imports and repealing Regulation (EC) No 518/94 ⁽¹⁾, as last amended by Regulation (EC) No 2474/2000 ⁽²⁾, and in particular Articles 6 and 8 thereof,

Having regard to Council Regulation (EC) No 519/94 of 7 March 1994 on common rules for imports from certain third countries and repealing Regulations (EEC) No 1765/82, (EEC) No 1766/82 and (EEC) 3420/83 ⁽³⁾, as last amended by Regulation (EC) No 1138/98 ⁽⁴⁾, and in particular Articles 5 and 6 thereof,

After consultations within the Advisory Committee established under Article 4 of Regulation (EC) No 3285/94 and of Regulation (EC) No 519/94 respectively,

Whereas:

PROCEDURE

- (1) Several Member States ('the Member States concerned') have informed the Commission that trends in imports appear to call for safeguard measures; submitted information containing the evidence available as determined on the basis of Article 10 of Regulation (EC) No 3285/94 and Article 8 of Regulation (EC) No 519/94; and asked the Commission to impose provisional safeguard measures and to open a safeguard investigation.
- (2) The Member States concerned claim that there have been recent substantial increases in imports of certain steel products and that the closure of the US market implied by US measures not only substantially denies the Community producers an important outlet for their exports, but also creates the conditions for a huge diver-

sion of imports from the US to the Community market. They claim that this could lead to a dramatic increase in the existing high level of imports at low prices, exacerbating the already serious disruption on the Community steel market which threatens serious injury to the Community producers.

- (3) The Member States concerned advise that the Community producers have submitted relevant information and urge the adoption of Community safeguard measures as a matter of urgency because any delay in their adoption would cause damage which it would be difficult to repair.
- (4) The Commission has informed all Member States of the situation and consulted the Advisory Committee on Safeguards on the terms and conditions of imports, import trends and the threat of serious injury to each of the sectors concerned, the various aspects of the economic and commercial situation with regard to the products in question, and the measures to be taken.
- (5) On 28 March 2002, the Commission published Notice of Initiation of a safeguard investigation concerning the products concerned.
- (6) In order to make a preliminary determination as to whether there exists a threat of serious injury to the Community producers caused by increased imports arising from unforeseen developments, and a critical situation justifying the urgent adoption of provisional safeguard measures; the Commission has considered both the evidence submitted, and that already obtained from its own sources. In particular, it has examined the evidence submitted by the Member States concerned, and carried out on the spot investigations at the premises of the main Community producers.
- (7) The Commission notes the recent announcement by the US of safeguard measures and the threat that this presents to the current critical situation of the Community producers.

⁽¹⁾ OJ L 349, 31.12.1994, p. 53.

⁽²⁾ OJ L 286, 11.11.2000, p. 1.

⁽³⁾ OJ L 67, 10.3.1994, p. 89.

⁽⁴⁾ OJ L 159, 3.6.1998, p. 1.

PRODUCTS CONCERNED

- (8) The products concerned are non alloy hot rolled coils, non alloy hot rolled sheets and plates, non alloy hot rolled narrow strip, alloy hot rolled flat products, cold rolled sheets, electrical sheets (other than GOES), metallic coated sheets, organic coated sheets, tin mill products, quarto plates, wide flats, non alloy merchant bars and light sections, alloy merchant bars and light sections, rebars, stainless bars and light shapes, stainless wire rod, stainless steel wire, fittings (< 609,6 mm), flanges (other than of stainless steel), gas pipes and hollow sections. The products concerned, together with the CN codes under which they are currently classified, are listed in Annex 1.

LIKE OR DIRECTLY COMPETING PRODUCTS

- (9) The Commission's preliminary determination is that the products produced by the Community producers (hereinafter referred to as 'the like products') are like or directly competing with the products concerned. That is to say that despite differences in the production process, and some differences in terms of quality, they have the same basic physical characteristics and the same uses and are sold via similar or identical sales channels. Price information is readily available and the products concerned and the products of the Community producers compete mainly on price.

THE COMMUNITY PRODUCERS

- (10) The Community producers are the members of the following industry associations: the European Confederation of the Iron and Steel Industry ('Eurofer'), the European Steel Tube Association ('ESTA'), Fachvereinigung Stahlflanschen e.V. ('FS') and the Defence Committee of the EU steel butt-welding fittings industry ('DCEU'). On behalf of their members, these industry associations have informed the Member States concerned, and the Commission, of their concerns, in particular, as to the impact of the safeguard measure against imports of certain steel products adopted on 5 March 2002 by the US President following an investigation under s.201 of the US Trade Act of 1974.
- (11) These industry associations are representative of a major proportion of total Community production of the like and/or directly competing products.

- Eurofer represents almost 95 % of Community production of iron and steel products. The associated industries are located in almost all Member States;
- ESTA represents about 50 % of the tube producers in the Community, including eleven major producers. The associated industries are located in Greece, Italy, Luxembourg, the Netherlands, Spain, Sweden and the United Kingdom;
- FS represents about 50 % of Community production of carbon steel flanges. The associated industries are located in Germany, Italy, France, Spain and the United Kingdom;
- DCEU represents over 70 % of relevant Community production. The associated industries are located in Austria, France, Germany, Italy and the United Kingdom.

UNFORESEEN DEVELOPMENTS

- (12) From 1998 onwards, in reaction to the Asian crisis ⁽¹⁾, the US, which represents around one eighth of world steel consumption, began to make greater use of trade defence instruments in the steel sector with a view to protecting their domestic producers from competition, in a manner considered by many economic operators to be legally unjustified and economically excessive. Indeed, each of these measures which has been adjudicated in the WTO has been declared to be illegal.
- (13) Table 1 shows the annual number of anti-dumping and countervailing duty final determinations made by the US between 1997 and 2001 in relation to the steel sector, and illustrates the increase in activity in the last three years.

Year	Anti-dumping duty	Countervailing duty
1997	5	0
1998	6	1
1999	16	7
2000	14	5
2001	26	5

- (14) Of these measures, around half relate to products covered by this Regulation. As far as the year 2001 is concerned, around 82 % of the measures concern products under consideration in this Regulation. These measures had an increasingly discouraging effect on imports of steel products to the US. As a result of this increase in activity, the US had in place or pending some 164 anti-dumping measures, 41 countervailing duty measures and 2 safeguard measures relating to the steel sector by the end of 2001.

⁽¹⁾ The effects of the Asian crisis were felt around the world in 1998 and 1999. In particular, as Asian steel producers fought to maintain sales volumes in the face of the collapse of their domestic markets, they sought to open up new markets by offering low prices, and found the Community market to be an important outlet for their goods. In consequence, imports of the products concerned increased markedly in 1998, and prices fell sharply in 1999.

- (15) In the course of 2001, the US also announced further broadly based, action in the steel sector. In January, the US opened an investigation into steel under section 223 of the US Trade Act of 1974. In July, the US ITC announced a broad ranging investigation into steel under section 202 of the Trade Act of 1974; and in December, the ITC recommended import restrictions across a broad range of steel products. These actions, which culminated in the import restrictions announced by the US President on 5 March 2002, further discouraged imports of steel products to the US.
- (16) The increasingly protectionist stance adopted by the US in recent years in relation to steel led to a decrease in US steel imports of 33 % between 1998 and 2001.

INCREASE IN IMPORTS

- (17) The Commission has carried out a preliminary analysis of the increase in imports to the Community of each of the products concerned over the same period (1998 to 2001), both in absolute terms, and relative to Community production and consumption. Imports of each of the products concerned increased considerably in that period.
- (18) The Commission has made a preliminary determination that there is clear evidence that imports of 15 of the products concerned have recently increased in a manner which is sudden, sharp and significant. These are non alloy hot rolled coils, non alloy hot rolled sheets and plates, non alloy hot rolled narrow strip, alloy hot rolled flat products, cold rolled sheets, electrical sheets (other than GOES), tin mill products, quarto plates, wide flats, non alloy merchant bars and light sections, alloy merchant bars and light sections, rebars, stainless steel wire, fittings (< 609,6 mm) and flanges (other than of stainless steel). These products are referred to as 'the 15 products concerned'.
- (19) In concrete terms, total imports of the 15 products concerned (specified in Annex 2) increased as follows.

Year	Imports of the 15 products concerned (mt)
1997	8,7
1998	12,1
1999	10,6
2000	12,5
2001	14,2

- (20) Imports of the 15 products concerned, taken as a whole, increased by 2,5 % between 1998 and 2000, and by 13 % between 2000 and 2001 (the latest period for which statistics are available). Individual analysis of the increase in imports of each of these products clearly shows a recent increase in imports of each of the 15 products except 1 (product 9) in absolute terms. For all products (including product 9) there is a recent and sharp increase in imports relative to production. This recent increase ranges from 7,3 % to 209,7 % (see Annex 2).
- (21) The Community steel market is characterised by long term relationships between producers and users; long term supply contracts; and the attachment of significant importance to security of supply. Given the nature of that market and its sensitivity to increased supplies, which lead immediately to price depression, and consequently losses for the Community producers, these increases in imports, either in absolute and/or relative terms, in respect of each of the 15 products concerned, must be considered sharp. In the context of imports having already reached historically high levels in 2000, the further increase in imports shown in Annex 2 in relation to each product is also significant.

THREAT OF SERIOUS INJURY

- (22) In order to make a preliminary determination as to whether there is clear evidence of serious injury or threat of serious injury to the Community producers of each of the like products, the Commission has evaluated all relevant factors of an objective and quantifiable nature having a bearing on the situation of the Community producers. In particular, for each product concerned, the Commission has evaluated the development of imports, consumption, production, productivity, capacity utilisation, sales, market share, prices, profitability and employment for the years 1997 to 2001. The key factors are provided in Annex 1.
- (23) Imports of 14 out of 15 of the products concerned grew in absolute terms between 2000 and 2001. The amount of growth varied as between products from 1 067 tonnes to 512 000 tonnes. The rate of growth in absolute terms varied between less than 1 % and 302 % depending on the product. For the 1 product whose imports fell marginally, the market share of imports increased substantially (by 8 %).
- (24) Imports of each of the 15 products concerned also grew relative to consumption between 2000 and 2001. Relative growth varied between 2 % and 285 % depending on the product.

- (25) Imports of each of the 15 products concerned also grew relative to production of the like or directly competing products by the community producers between 2000 and 2001.
- (26) In general, consumption of the products concerned and the like products was stagnant or declining between 2000 and 2001. Consumption of 9 of the products fell in this period, whilst consumption of the remaining 6 grew.
- (27) Production of the like products generally fell. Production of 11 of the like products fell, production of 3 of the like products increased marginally (less than 2 %) and production of 1 of the like products increased markedly.
- (28) Productivity increased for 14 of the 15 products concerned. For the 1 product for which productivity fell, the Commission's preliminary analysis indicates that this was due to a fall in the volume of production.
- (29) Capacity utilisation in relation to production of each of the like products generally decreased by between 5 % and 10 % from 2000 to 2001, although in 1 case it was virtually stagnant and in 2 cases it actually increased.
- (30) Sales of the like products in the EU generally fell between 2000 and 2001. Nevertheless, in the case of 2 products sales increased (although in relation to each of those products, the Community producers suffered loss of market share).
- (31) In each relation to each product, the Community producers suffered a loss of market share of between 1 % and 10 %.
- (32) The price of most products fell between 2000 and 2001. In addition, of those products whose price rose in this period, in all but 3 cases, 2001 prices were lower than the price in 1997. In normal conditions of international trade, the forecast improvement in the Community consumer sector would enable the industry to improve its situation by raising prices. However, low priced imports, resulting from trade deviation, have prevented Community producers from doing so.
- (33) Between 2000 and 2001, the profitability of the Community producers in relation to each like product has declined dramatically in all but 3 cases. In 2 of those cases, the Community producers are making a marginal profit (less than 2 %), and in 1 other they are incurring a material loss (- 8,2 %). This situation occurs against a background of already poor levels of profitability in previous years.
- (34) Employment in the Community steel industry in relation to ECSC products has declined by 20 000 since 1997; and from 276 300 in 2000 to 270 000 in 2001. These trends appear to be broadly reflected in the information available on employment relating to each of the like products.
- (35) For each of the 15 products concerned, the Commission has analysed the factors mentioned in recital 22 to determine what effect increased imports at low prices are having on the Community producers of the corresponding like product. In particular, the Commission notes that imports of each of the products concerned grew in absolute terms, and relative to consumption and production. The Community producers are suffering loss of market share in relation to each product and the prices of their products have also generally fallen or remain depressed. Further, in relation to most products their profitability has significantly declined in the last year although in relation to some it merely remains low.
- (36) Based on its preliminary analysis, the Commission has made a preliminary determination that, in relation to each of the 15 products concerned, the Community producers are threatened with significant overall impairment in their position which is clearly imminent. It is anticipated that actual serious injury will occur even more rapidly both as a result of the announcement of US measures on 5 March, and of those measures being brought into force.

CAUSATION

- (37) On the basis of the available information, the Commission has made a preliminary determination that there is clear evidence of a causal link between the reduction in US imports and growth in Community imports. This can best be explained by the fact that, for many steel producers, the US and the Community are their only viable export markets. In consequence, as both markets have the same types of industrial users, it is reasonable to conclude that steel imports diverted from the US market have been diverted to the Community market. Most of the third country producers affected by the US measures have exported to the Community for a number of years, and, more and more after the Asian crisis and the abovementioned US activities.
- (38) The Commission has also made a preliminary determination that there is clear evidence of a causal link between increased volumes of imports of each of the 15 products concerned and reduced sales volumes of each of the like products. Despite minor differences in the production process, and some differences in terms of quality, both products have the same basic physical characteristics and the same uses and are sold via similar or identical sales channels. Price information is readily available and the products concerned and the like products compete mainly on price.

(39) Given those causal links, the Commission has made a preliminary determination that the Community producers are suffering reduced sales volumes and market shares due to increased imports arising as a result of trade deviation from the US.

(40) The Commission has made a preliminary determination that there is a causal link between the reduction in sales revenues achieved by the Community producers and the reduction in their profitability. Any reduction in capacity utilisation increases the unit cost of production. Therefore, any reduction in the quantity of goods produced and sold reduces profitability. In addition, fixed costs cannot be reduced quickly or on a short term basis.

(41) The Commission has also made a preliminary determination that there is a causal link between undercutting by the products concerned (i.e. selling at less than the actual price of the like products) and loss of sales revenues by the Community producers. In almost all cases, the products concerned were sold on the Community market at lower prices than the like products. Undercutting margins range up to 31 %.

(42) The Commission has also made a preliminary determination that there is a causal link between underselling of the products concerned (i.e. selling at less than a constructed price for the like product based on cost plus a reasonable profit margin) and loss of sales revenues by the Community producers. In the few cases where no undercutting was found, this was because the Community prices were depressed and sales earned no or only minimal profit (underselling margins range from 15 % upwards).

(43) The Commission therefore draws the preliminary conclusion that, in relation to each of the 15 products concerned, imports at low prices have caused and are causing — (1) a reduction in the volume of the like product sold by the Community producers; (2) a reduction in the prices at which the Community producers sold the like product; (3) a consequent reduction in the sales revenues of the Community producers and (4) a drastic reduction in the profitability of the Community producers. This has resulted in threat of serious injury to the Community producers.

OTHER FACTORS

(44) To ensure that the threat of serious injury is not attributable to other factors than the increase in imports, the Commission has carried out a preliminary analysis of other factors that may have contributed to the threat of serious injury suffered by the Community producers.

These include the general downturn in the world economy in 2001; the short term economic slowdown resulting from the events of 11 September; and reduced exports by Community producers to the US.

(45) That preliminary analysis indicates that the increase in imports is the substantial cause of the threat of serious injury to the Community producers. Under normal market conditions, the Community industry has no excess capacity due to the deep restructuring it has undergone in recent years. The reduction in exports to the US market resulting from the actions of the US may have had an impact on the Community industry, but it clearly does not break the causal link between the deviation of traffic from the US and the serious injury which it threatens. This is clearly shown by a comparison of Community import volumes to export volumes. Nevertheless, a detailed examination of all factors which have, or may have, contributed to the injury will be undertaken in the course of the Commission's investigation.

CRITICAL SITUATION

(46) The Commission has made a preliminary determination that critical circumstances exist in which delay would cause damage which it would be difficult to repair. As indicated above and illustrated in detail by Annex 1, threat of serious injury is clearly imminent. Community producers are already suffering a decline, notably in production, sales and profitability, as a result of increased imports of the 15 products concerned.

(47) In relation to the like or directly competing products, production has fallen by 3 % between 2000 and 2001. Sales have fallen by 4 % in the same period, and the Community producers market share has declined. Profitability has also declined sharply in this period, and in many cases sales are being made at a loss. This decline is also reflected in a loss of employment in relation to production of the 15 products concerned. Employment across the industry has fallen from 276 500 in 2000 to 270 000 in 2001.

(48) Available information relating to the performance of the Community producers in the first quarter of 2002 indicates that production, sales and profitability continue to decline. Prior to 5 March, the Community producers were clearly already in a weak position. The existing increase in imports had led to oversupply on the Community market; reductions in prices and threat of serious injury.

- (49) These developments will be dramatically exacerbated by the announcement of US measures on 5 March, and by the bringing into force of those measures.
- (50) For the reasons explained at recital 17, the US and the Community markets constitute the only viable export markets for many steel producers. For products subject to a 15 % or 30 % duty under US safeguard measures, the US market is effectively closed.
- (51) The Commission has made a preliminary assessment of the possible destination of the huge volume of goods diverted from the US market. It notes that, given the weakness of other markets (notably Japan, South East Asia and South America), it is very unlikely that a significant quantity has been, or will be, diverted to such markets. Furthermore, producers in third countries suffer a difficult situation in their domestic markets, which are unable to absorb goods previously destined for the US market. Given the openness of the Community market, it may constitute the only opportunity for foreign producers to find an outlet for goods excluded from the US market. In these circumstances, the Commission concludes that a substantial proportion of the exports excluded from the US market have been, and will be, diverted to the Community.
- (52) Therefore, it can be anticipated that the application of import restrictions to the US market will result in a significant further increase in imports of the products concerned into the Community. Analysis indicates that around 15 million tonnes of steel products (worth around \$4,1 billion), equivalent to total Community imports of the products concerned in 2000, are covered by the US measures and risk being diverted to the Community market.
- (53) The situation of the Community producers has been significantly worsened by the US measures announced on 5 March 2002 because these measures have forced the Community producers to revise their projections downwards to reflect further reductions in earnings (from both domestic sales and exports), and further damage to profitability. This is compromising current reorganisation within the Community industry. It is also undermining earlier restructuring and modernisation within the industry.
- (54) Because the Community producers' projections have been revised downwards, in order to cut costs, temporary or permanent closure of production facilities will be difficult to avoid. These closures may affect production not only of the like products, but also of other products produced using the same facilities. The social impact, according to industry estimates, could be the disappearance of a further 20 000 jobs in the next few years. The negative impact could also extend to those activities which are dependent on the Community producers affected by the measure.
- (55) Bearing in mind that domestic consumption of the 15 products concerned is stagnant or declining and the rate at which imports were growing prior to the announcement of US measures, the situation of the Community producers was weak.
- (56) The considerable increase in the growth of imports which the US measures promise has forced the Community producers to revise sales and profits projections downwards. These revised projections demand immediate measures by Community producers to reduce costs and stem anticipated losses, including closing production facilities and laying off employees. The damage caused to the Community producers by taking such action would be difficult to repair. If such action is to be avoided, provisional safeguard measures must quickly be taken.
- (57) Therefore, the Commission considers that there exists a critical situation in which any delay in the adoption of provisional safeguard measures would cause damage which would be difficult to repair. It therefore concludes that provisional safeguard measures should be adopted without delay.
- COMMUNITY INTEREST*
- (58) The Commission has carried out a provisional examination of the interests of the different economic operators — Community producers, users, importers and other economic operators.
- (59) The Community producers are generally acknowledged to be world class manufacturing industries. They have highly skilled workforces; enjoy high levels of productivity; and are able to meet the quality requirements of the most demanding customers. Any delay in the adoption of measures would seriously jeopardise their viability. The strategic importance of the steel industry has long been recognised. It is in the Community interest to have a healthy and competitive steel industry. It is clear that if no measures are taken, both the prices and the market share of the Community producers will further decrease resulting in reduced production, increased financial losses and loss of employment, both in the steel industry and in related industries.

(60) Users, in general, seek the lowest possible price for steel, and it is clear that, without measures, prices would be lower. However, it is also in the interests of users to have a competitive and viable Community steel industry, able to meet their needs and ensure security of supply. Without measures, that cannot be guaranteed. Further, given the conservative nature of the provisional measures, which have been constructed so as only to prevent further large increases in imports, major changes in the conditions of imports of the 15 products concerned are not expected.

(61) Importers have intervened and protested against the imposition of provisional measures stating that provisional measures could cause serious injury to them. Their submissions have been carefully considered. Nevertheless, it is considered that, as the provisional measures preserve existing flows of imports at historically high levels, their concerns are met for the time being and considering that provisional measures can only last for six months. During this period, their arguments will be further investigated.

(62) Therefore, on balance, the Commission's preliminary determination is that the Community interest requires the adoption of provisional measures. The interests of producers, users, importers and other interested economic operators will be further considered in the course of the investigation.

CONCLUSION

(63) The Commission has made a preliminary determination that there is clear evidence that increased imports of the 15 products concerned, at low prices, are threatening to cause serious injury to the Community producers. On the basis of its analysis of the available information, the Commission also concludes that the increased imports have been caused by trade deviation resulting from the increasingly protectionist stance of the US. Taking account of the overall situation, the Commission considers that the Community producers are currently in a critical situation in which any delay in taking provisional measures would result in damage which it would be difficult to repair.

ADOPTION OF PROVISIONAL MEASURES

(64) On the basis of its preliminary determination that there is clear evidence of an increase in imports arising as a result of US action leading to deviation of traffic; that those increases threaten to cause serious injury to the Community producers; and that a critical situation exists in which any delay would cause injury which it would be difficult to remedy, the Commission considers that the adoption of provisional safeguard measures is justified.

PROVISIONAL MEASURES — FORM AND LEVEL

(65) By taking provisional safeguard measures, the Commission seeks to prevent the occurrence of serious injury, and damage which it would be difficult to repair, to the Community producers arising from diverted trade, whilst preserving, insofar as possible, the openness of the Community market, and maintaining the flow of imports at their current historically high levels.

(66) In conformity with the Community's international obligations, the provisional measures should take the form of tariff measures relative to each of the 15 products concerned. To preserve the flow of imports to the Community at their current historically high levels, they should take the form of tariff quotas in excess of which an additional duty requires to be paid. To ensure access to the Community market to all traditional suppliers, such tariff quotas should be based on the average of the annual level of imports in the years 1999, 2000 and 2001, plus 10 % thereof. As the tariff quotas will be in operation for six months, they should be set at one half of that annual figure.

(67) The additional duty should be fixed at a level which is consistent with the aim of preventing serious injury to the Community producers.

(68) The additional duty for each individual product has been calculated on the basis of the constructed average non injurious price per tonne of the Community producers product. This price was constructed by taking the respective cost of production for each product to which was added a profit margin of 8 %. This profit margin was considered reasonable as it refers to profits of the Community producers in a normal trading situation unaffected by rising imports. This price was compared with the average price per tonne of the imported product concerned. The difference between these two prices was expressed as a percentage of the cif/Community border price of the imported product, and resulted in the additional duty per product at the rates set out in Annex 3. In order to avoid rates at a prohibitive level, a ceiling has been fixed at 26 %. The appropriate levels of additional duty will be further considered in the course of the investigation.

(69) Certain of the 15 products concerned are subject to existing trade defence measures by the Community. These measures will be examined in the course of the investigation to establish what steps, if any, require to be taken to avoid the combination of the different types of measure giving a higher level of protection than is necessary.

(70) Provision should be made to deal with the possibility of a surge in imports of the products concerned (or any of them) during the period of the provisional measures.

DURATION

- (71) The provisional measures should apply for six months from the date on which this regulation enters into force.

PRODUCTS COVERED

- (72) The provisional measures should apply to the 15 products concerned.
- (73) The provisional measures should apply without prejudice to the specific measures applicable in accordance with the Decision of the Representatives of the Governments of the Member States meeting within the Council of 19 December 2001, which provides that imports of ECSC products from certain countries are to be subject to quantitative quotas which may not be exceeded and are to be managed by a separate system of licensing. The products concerned by this decision originate in countries which are not members of the WTO, and have therefore been made subject to quantitative quotas for ECSC products. However, non ECSC products from these countries fall within the scope of this Regulation.
- (74) In conformity with EU legislation and the international obligations of the EU, the provisional measures should not apply to any product originating in a developing country as long as its share of imports of that product into the Community does not exceed 3 %.
- (75) The preliminary determination made by the Commission on a product by product basis shows that certain of the 15 products concerned originating in certain developing countries, do not meet the requirements to benefit from the abovementioned derogation. For each of the 15 products concerned, the developing countries to which the provisional measures apply should therefore be specified. Annex 4 specifies the developing countries for the purposes of this Regulation; and, for each of the 15 products concerned, the developing countries to which the provisional measures apply.

ADMINISTRATION OF THE QUOTAS

- (76) The best way of ensuring optimal use of the tariff quotas is to allocate them in the chronological order of the dates on which declarations of release for free circulation are accepted, as foreseen in Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code⁽¹⁾. Equal and continuous access to the quotas should be ensured for all Community importers. This method of administration calls for close cooperation between the Member States and the Commission.

- (77) The eligibility of imported goods from developing countries to be excluded from the tariff quotas is dependent on the origin of the goods. The criteria for determining origin currently in force in the Community should therefore be applied, and in order to ensure that the tariff quotas are administered efficiently, presentation of a certificate of origin at the Community frontier should be required for imports of the products concerned,

HAS ADOPTED THIS REGULATION:

Article 1

1. A tariff quota is hereby opened in relation to imports into the Community of each of the 15 products concerned specified in Annex 3 (defined by reference to the CN codes specified in relation to it) from the date on which this Regulation enters into force until the day before the corresponding date of the sixth month following.
2. The conventional rate of duty provided for these products in Council Regulation (EC) No 2658/97, or any preferential rate of duty, shall continue to apply.
3. Imports of those products which are in excess of the volume of the relevant tariff quota specified in Annex 3, or without a request for benefit, shall be subject to an additional duty at the rate specified in Annex 3 for that product. That additional duty shall apply to the customs value of the product being imported.
4. During the period to which the provisional measures apply, if the Commission considers that imports in any month in 2002 are substantially higher than imports in the corresponding month in 2001, the Commission may review the form and/or level of the provisional measures.

Article 2

1. The origin of any product to which this Regulation applies shall be determined in accordance with the provisions in force in the Community.
2. Qualification for any tariff quota opened under Article 1 or for the exemption under Article 7 shall be subject to presentation of a certificate of origin meeting the conditions laid down in Article 47 of Regulation (EEC) No 2454/93.
3. The certificate of origin referred to in paragraph 2 shall not be required for imports of products covered by a proof of origin issued or made out in accordance with the relevant rules established in order to qualify for preferential tariff measures.
4. Proof of origin shall be accepted only if the products meet the criteria for determining origin set out in the provisions in force in the Community.

⁽¹⁾ OJ L 253, 11.10.1993, p. 1.

Article 3

The tariff quotas shall be managed by the Commission and the Member States in accordance with the management system for tariff quotas provided for in Articles 308a, 308b and 308c of Regulation (EEC) No 2454/93, as last amended by Regulation (EC) No 993/2001. This may be adapted if the Commission considers it desirable, as a result of experience gained during the period of validity of the provisional measures.

Article 4

This Regulation shall be without prejudice to the specific measures applicable to imports of ECSC products by virtue of

- the Decision of the Representatives of the Governments of the Member States meeting within the Council of 19 December 2001 on certain measures concerning trade in certain steel products covered by the ECSC Treaty originating in the Russian Federation, Kazakhstan and Ukraine ⁽¹⁾, or
- an agreement such as is referred to in Article 4 of that Decision.

Article 5

Imports of the 15 products concerned which are already on their way to the Community on the date of entry into force of this Regulation, whose destination cannot be changed, shall not

be attributed to the tariff quotas, or subject to the additional duty specified in Annex 3, and may be put into free circulation.

Article 6

The Member States and the Commission shall cooperate closely to ensure compliance with this Regulation.

Article 7

1. Subject to paragraph 2, imports of the 15 products concerned originating in one of the developing countries specified in Annex 4 shall not be subject, or allocated, to the tariff quotas, or subject to the additional duty specified in Annex 3.
2. For each of the 15 products concerned, Annex 4 specifies the developing countries to which the provisional measures apply.

Article 8

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

This Regulation shall apply from 29 March 2002.

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

Done at Brussels, 27 March 2002.

For the Commission

Pascal LAMY

Member of the Commission

⁽¹⁾ OJ L 345, 29.12.2001, p. 71, p. 78 and p. 75.

ANNEX 1

PRODUCTS CONCERNED

Product Number	Product Description	CN Codes
1	Non Alloy Hot Rolled Coils	7208 10 00, 7208 25 00, 7208 26 00, 7208 27 00, 7208 36 00, 7208 37 10, 7208 37 90, 7208 38 10, 7208 38 90, 7208 39 10, 7208 39 90
2	Non Alloy Hot Rolled Sheets and Plates	7208 40 10, 7208 40 90, 7208 52 99, 7208 53 90, 7208 54 10, 7208 54 90
3	Non Alloy Hot Rolled Narrow Strip	7211 14 10, 7211 14 90, 7211 19 20, 7211 19 90, 7212 60 11, 7212 60 19, 7212 60 91
4	Alloy Hot Rolled Flat Products	7225 19 10, 7225 30 00, 7225 40 80, 7226 19 10, 7226 91 10, 7226 91 90, 7226 99 20
5	Cold Rolled Sheets	7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7209 90 10, 7209 90 90, 7225 20 90, 7225 50 00, 7211 23 10, 7211 23 99, 7211 29 20, 7211 29 50, 7211 29 90, 7211 90 11, 7211 90 19, 7211 90 90, 7212 60 93, 7212 60 99, 7226 92 10, 7226 92 90
6	Electrical Sheets (other than GOES)	7209 16 10, 7209 17 10, 7209 18 10, 7209 26 10, 7209 27 10, 7209 28 10, 7211 23 91, 7225 19 90, 7226 19 30, 7226 19 90
7	Metallic Coated Sheets	7210 20 10, 7210 20 90, 7210 30 10, 7210 30 90, 7210 41 10, 7210 41 90, 7210 49 10, 7210 49 90, 7210 61 10, 7210 61 90, 7210 69 10, 7210 69 90, 7210 90 38, 7210 90 90, 7212 20 11, 7212 20 19, 7212 20 90, 7212 30 11, 7212 30 19, 7212 30 90, 7212 50 31, 7212 50 51, 7212 50 58, 7212 50 75, 7212 50 91, 7212 50 93, 7212 50 97, 7212 50 99, 7225 91 10, 7225 91 90, 7225 92 10, 7225 92 90, 7225 99 90, 7226 93 20, 7226 93 80, 7226 94 20, 7226 94 80, 7226 99 80
8	Organic Coated Sheet	7210 70 39, 7210 70 90, 7212 40 91, 7212 40 93, 7212 40 98
9	Tin Mill Products	7209 18 99, 7210 11 10, 7210 11 90, 7210 12 11, 7210 12 19, 7210 12 90, 7210 50 10, 7210 50 90, 7210 70 31, 7210 90 33, 7211 23 51, 7212 10 10, 7212 10 91, 7212 10 93, 7212 10 99, 7212 40 10, 7212 40 95
10	Quarto Plates	7208 51 30, 7208 51 50, 7208 51 91, 7208 51 99, 7208 52 91, 7208 90 10, 7208 90 90, 7210 90 31, 7225 40 20, 7225 40 50, 7225 99 10
11	Wide Flats	7208 51 10, 7208 52 10, 7208 53 10, 7211 13 00
12	Non Alloy Merchant Bars and Light Sections	7214 30 00, 7214 91 10, 7214 91 90, 7214 99 31, 7214 99 39, 7214 99 50, 7214 99 61, 7214 99 69, 7214 99 80, 7214 99 90, 7215 90 10, 7228 80 90, 7216 10 00, 7216 21 00, 7216 22 00, 7216 40 10, 7216 40 90, 7216 50 10, 7216 50 91, 7216 50 99, 7216 99 10
13	Alloy Merchant Bars and Light Sections	7228 20 11, 7228 20 19, 7228 20 30, 7228 30 41, 7228 30 49, 7228 30 61, 7228 30 69, 7228 30 70, 7228 30 89, 7228 60 10, 7228 70 10, 7228 70 31, 7228 80 10
14	Rebars	7214 20 00, 7214 99 10
15	Stainless Bars and Light Shapes	7222 11 11, 7222 11 19, 7222 11 21, 7222 11 29, 7222 11 91, 7222 11 99, 7222 19 10, 7222 19 90, 7222 20 11, 7222 20 19, 7222 20 21, 7222 20 29, 7222 20 31, 7222 20 39, 7222 20 81, 7222 20 89, 7222 30 10, 7222 30 51, 7222 30 91, 7222 30 98, 7222 40 10, 7222 40 30, 7222 40 91, 7222 40 93, 7222 40 99

Product Number	Product Description	CN Codes
16	Stainless Wire Rod	7221 00 10, 7221 00 90
17	Stainless Steel Wire	7223 00 11, 7223 00 91, 7223 00 19, 7223 00 99
18	Fittings (< 609,6 mm)	7307 93 11, 7307 93 19
19	Flanges (other than stainless steel)	7307 91 00
20	Gas Pipes	7306 30 51, 7306 30 59, 7306 30 71, 7306 30 78
21	Hollow Sections	7306 60 31, 7306 60 39

Annex 1.1

ECONOMIC INDICATORS — (Provisional Determination)

Product 1 Non alloy Hot Rolled Coils

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	20 861 808	21 568 786	21 891 755	22 421 967	21 936 000
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	3 281 808	4 816 786	3 843 755	4 829 967	5 112 000
Market share (%)	15,7 %	22,3 %	17,6 %	21,5 %	23,3 %
Unit prices (EUR/tonne)	253	269	208	308	254
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	87,4 %	85,9 %	87,3 %	86,0 %	80,3 %
Production (tonnes)	20 028 000	18 924 000	19 932 000	19 428 000	18 660 000
Sales volume in the EU (tonnes)	17 580 000	16 752 000	18 048 000	17 592 000	16 824 000
Sales volume outside the EU (tonnes)	2 448 000	2 172 000	1 884 000	1 836 000	1 836 000
Market share (%)	84,3 %	77,7 %	82,4 %	78,5 %	76,7 %
Unit sales price (EUR/tonne)	281	298	245	300	277
Net profit/loss on EU sales (in %)	6,5 %	9,0 %	- 6,9 %	10,9 %	- 3,6 %
Employment (end of period) — Index ⁽⁴⁾	100	93	87	90	89
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	283	277	277	271	267
Net profit/loss on EU sales (%)	0,0 %	- 3,5 %	- 3,1 %	- 8,2 %	- 7,9 %

Price comparison for 2001

Price undercutting	9,3 %
Price underselling	18,4 %

Annex 1.2

ECONOMIC INDICATORS — (Provisional Determination)

Product 2 Non alloy Hot Rolled Sheets and Plates

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	2 097 598	2 346 224	2 456 947	2 151 111	2 055 600
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	417 598	510 224	476 947	531 111	591 600
Market share (%)	19,9 %	21,7 %	19,4 %	24,7 %	28,8 %
Unit prices (EUR/tonne)	284	305	236	320	286
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	87,4 %	85,9 %	87,3 %	86,0 %	80,3 %
Production (tonnes)	1 920 000	2 052 000	2 160 000	1 776 000	1 620 000
Sales volume in the EU (tonnes)	1 680 000	1 836 000	1 980 000	1 620 000	1 464 000
Sales volume outside the EU (tonnes)	240 000	216 000	180 000	156 000	156 000
Market share (%)	80,1 %	78,3 %	80,6 %	75,3 %	71,2 %
Unit sales price (EUR/tonne)	337	357	293	371	342
Net profit/loss on EU sales (in %)	7,1 %	11,1 %	- 4,5 %	10,7 %	- 0,6 %
Employment (end of period) — Index ⁽⁴⁾	100	100	97	98	95
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	Q1 2001 345	Q2 2001 332	Q3 2001 333	Q4 2001 328	Q1 2002 321
Net profit/loss on EU sales (%)	1,4 %	- 1,7 %	- 0,9 %	- 3,4 %	- 2,4 %

Price comparison for 2001

Price undercutting	19,5 %
Price underselling	26,2 %

Annex 1.3

ECONOMIC INDICATORS — (Provisional Determination)

Product 3 Non alloy H.R. Narrow Strip

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	2 293 864	2 373 678	2 402 296	2 324 786	2 227 200
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	85 864	129 678	146 296	176 786	223 200
Market share (%)	3,7 %	5,5 %	6,1 %	7,6 %	10,0 %
Unit prices (EUR/tonne)	295	308	264	322	274
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	87,4 %	85,9 %	87,3 %	86,0 %	80,3 %
Production (tonnes)	2 448 000	2 484 000	2 484 000	2 364 000	2 208 000
Sales volume in the EU (tonnes)	2 208 000	2 244 000	2 256 000	2 148 000	2 004 000
Sales volume outside the EU (tonnes)	240 000	240 000	228 000	216 000	204 000
Market share (%)	96,3 %	94,5 %	93,9 %	92,4 %	90,0 %
Unit sales price (EUR/tonne)	340	353	304	351	338
Net profit/loss on EU sales (in %)	3,0 %	4,2 %	- 4,2 %	7,0 %	- 3,1 %
Employment (end of period) — Index ⁽⁴⁾	100	101	81	70	65
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	344	341	335	330	318
Net profit/loss on EU sales (%)	- 0,3 %	- 3,0 %	- 3,7 %	- 6,6 %	- 7,6 %

Price comparison for 2001

Price undercutting	23,6 %
Price underselling	34,0 %

Annex 1.4

ECONOMIC INDICATORS — (Provisional Determination)

Product 4 Alloy Hot Rolled Flat Products

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	2 391 374	2 644 994	2 845 719	3 238 916	3 420 000
<i>Imports</i> ⁽¹⁾					
Volume (tonnes)	3 374	4 994	25 719	154 916	468 000
Market share (%)	0,1 %	0,2 %	0,9 %	4,8 %	13,7 %
Unit prices (EUR/tonne)	950	979	402	358	263
<i>Situation of EU producers</i> ⁽²⁾					
Utilisation of capacity (%) ⁽³⁾	87,4 %	85,9 %	87,3 %	86,0 %	80,3 %
Production (tonnes)	2 796 000	3 024 000	3 132 000	3 408 000	3 324 000
Sales volume in the EU (tonnes)	2 388 000	2 640 000	2 820 000	3 084 000	2 952 000
Sales volume outside the EU (tonnes)	408 000	384 000	312 000	324 000	372 000
Market share (%)	99,9 %	99,8 %	99,1 %	95,2 %	86,3 %
Unit sales price (EUR/tonne)	364	372	309	381	347
Net profit/loss on EU sales (in %)	6,7 %	7,1 %	2,1 %	6,0 %	0,5 %
Employment (end of period) — Index ⁽⁴⁾	100	93	78	82	75
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	330	325	335	329	311
Net profit/loss on EU sales (%)	3,6 %	- 1,9 %	2,8 %	- 4,1 %	- 5,4 %

Price comparison for 2001

Price undercutting	31,7 %
Price underselling	37,7 %

Annex 1.5

ECONOMIC INDICATORS — (Provisional Determination)

Product 5 (Alloy and non alloy) Cold Rolled Sheets

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	12 639 826	12 875 495	12 170 720	13 294 031	12 049 200
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	1 227 826	1 835 495	1 310 720	2 458 031	2 461 200
Market share (%)	9,7 %	14,3 %	10,8 %	18,5 %	20,4 %
Unit prices (EUR/tonne)	386	369	322	423	355
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	79,6 %	78,9 %	79,0 %	84,0 %	76,9 %
Production (tonnes)	13 488 000	12 660 000	12 564 000	12 348 000	10 776 000
Sales volume in the EU (tonnes)	11 412 000	11 040 000	10 860 000	10 836 000	9 588 000
Sales volume outside the EU (tonnes)	2 076 000	1 620 000	1 704 000	1 512 000	1 188 000
Market share (%)	90,3 %	85,7 %	89,2 %	81,5 %	79,6 %
Unit sales price (EUR/tonne)	357	375	309	376	365
Net profit/loss on EU sales (in %)	1,7 %	4,0 %	- 10,4 %	- 4,6 %	- 6,9 %
Employment (end of period) — Index ⁽⁴⁾	100	96	91	86	81
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	382	360	347	337	334
Net profit/loss on EU sales (%)	0,6 %	- 9,0 %	- 10,4 %	- 16,3 %	- 13,5 %

Price comparison for 2001

Price undercutting	2,9 %
Price underselling	16,3 %

Annex 1.6

ECONOMIC INDICATORS — (Provisional Determination)

Product 6 Electrical Sheets (other than GOES)

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	1 232 924	1 251 528	1 185 928	1 375 496	1 315 200
<i>Imports</i> ⁽¹⁾					
Volume (tonnes)	104 924	135 528	93 928	139 496	175 200
Market share (%)	8,5 %	10,8 %	7,9 %	10,1 %	13,3 %
Unit prices (EUR/tonne)	507	483	469	491	478
<i>Situation of EU producers</i> ⁽²⁾					
Utilisation of capacity (%) ⁽³⁾	81,9 %	86,3 %	93,6 %	105,0 %	97,9 %
Production (tonnes)	1 296 000	1 284 000	1 224 000	1 392 000	1 296 000
Sales volume in the EU (tonnes)	1 128 000	1 116 000	1 092 000	1 236 000	1 140 000
Sales volume outside the EU (tonnes)	168 000	168 000	132 000	156 000	156 000
Market share (%)	91,5 %	89,2 %	92,1 %	89,9 %	86,7 %
Unit sales price (EUR/tonne)	439	443	423	469	522
Net profit/loss on EU sales (in %)	- 3,2 %	- 2,1 %	- 5,6 %	1,1 %	- 1,7 %
Employment (end of period) — Index ⁽⁴⁾	100	94	77	80	82
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	481	498	513	522	481
Net profit/loss on EU sales (%)	2,3 %	1,2 %	2,7 %	0,2 %	- 4,3 %

Price comparison for 2001

Price undercutting	9,3 %
Price underselling	17,7 %

Annex 1.7

ECONOMIC INDICATORS — (Provisional Determination)

Product 7 (Alloy and non alloy) Metallic Coated Sheets

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	15 806 656	17 877 303	18 455 169	21 337 105	20 124 000
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	578 656	1 641 303	1 319 169	2 101 105	1 284 000
Market share (%)	3,7 %	9,2 %	7,1 %	9,8 %	6,4 %
Unit prices (EUR/tonne)	531	503	432	547	484
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	90,3 %	91,5 %	87,9 %	97,1 %	86,2 %
Production (tonnes)	16 812 000	17 592 000	18 684 000	20 940 000	20 724 000
Sales volume in the EU (tonnes)	15 228 000	16 236 000	17 136 000	19 236 000	18 840 000
Sales volume outside the EU (tonnes)	1 584 000	1 356 000	1 548 000	1 704 000	1 884 000
Market share (%)	96,3 %	90,8 %	92,9 %	90,2 %	93,6 %
Unit sales price (EUR/tonne)	481	510	462	483	462
Net profit/loss on EU sales (in %)	10,6 %	13,3 %	9,1 %	10,9 %	1,3 %
Employment (end of period) — Index ⁽⁴⁾	100	100	97	98	95
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	483	466	452	444	449
Net profit/loss on EU sales (%)	6,2 %	1,3 %	0,1 %	- 4,1 %	- 1,9 %

Price comparison for 2001

Price undercutting

- 4,4 %

Price underselling

Non available

Annex 1.8

ECONOMIC INDICATORS — (Provisional Determination)

Product 8 Organic Coated Sheets

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	3 039 270	3 411 388	3 590 345	4 173 811	4 046 400
<i>Imports</i> ⁽¹⁾					
Volume (tonnes)	39 270	195 388	218 345	285 811	242 400
Market share (%)	1,3 %	5,7 %	6,1 %	6,8 %	6,0 %
Unit prices (EUR/tonne)	884	702	621	761	675
<i>Situation of EU producers</i> ⁽²⁾					
Utilisation of capacity (%) ⁽³⁾	75,5 %	79,2 %	81,2 %	91,9 %	81,0 %
Production (tonnes)	3 396 000	3 528 000	3 696 000	4 248 000	4 188 000
Sales volume in the EU (tonnes)	3 000 000	3 216 000	3 372 000	3 888 000	3 804 000
Sales volume outside the EU (tonnes)	396 000	312 000	324 000	360 000	384 000
Market share (%)	98,7 %	94,3 %	93,9 %	93,2 %	94,0 %
Unit sales price (EUR/tonne)	715	749	665	743	710
Net profit/loss on EU sales (in %)	6,1 %	7,3 %	0,8 %	8,1 %	1,6 %
Employment (end of period) — Index ⁽⁴⁾	100	104	99	102	96
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	736	704	682	682	691
Net profit/loss on EU sales (%)	5,4 %	2,1 %	1,2 %	- 3,2 %	- 1,7 %

Price comparison for 2001

Price undercutting

5,2 %

Price underselling

Non available

Annex 1.9

ECONOMIC INDICATORS — (Provisional Determination)

Product 9 Tin Mill Products

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	4 234 317	4 397 638	4 222 063	4 525 984	4 137 600
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	334 317	473 638	610 063	529 984	525 600
Market share (%)	7,9 %	10,8 %	14,4 %	11,7 %	12,7 %
Unit prices (EUR/tonne)	642	600	564	577	580
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	80,2 %	81,5 %	75,1 %	79,1 %	73,3 %
Production (tonnes)	5 232 000	5 016 000	4 752 000	5 124 000	4 656 000
Sales volume in the EU (tonnes)	3 900 000	3 924 000	3 612 000	3 996 000	3 612 000
Sales volume outside the EU (tonnes)	1 332 000	1 092 000	1 140 000	1 128 000	1 044 000
Market share (%)	92,1 %	89,2 %	85,6 %	88,3 %	87,3 %
Unit sales price (EUR/tonne)	675	678	623	582	589
Net profit/loss on EU sales (in %)	16,8 %	15,5 %	8,5 %	- 1,9 %	- 7,9 %
Employment (end of period) — Index ⁽⁴⁾	100	94	83	69	64
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	586	594	593	580	599
Net profit/loss on EU sales (%)	- 9,2 %	- 2,9 %	- 8,5 %	- 13,0 %	- 4,7 %

Price comparison for 2001

Price undercutting	1,6 %
Price underselling	17,1 %

Annex 1.10

ECONOMIC INDICATORS — (Provisional Determination)

Product 10 Alloy and non alloy quarto plate

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	9 227 787	10 157 151	9 018 967	9 027 044	9 489 483
<i>Imports</i> ⁽¹⁾					
Volume (tonnes)	1 811 787	2 285 151	1 422 967	1 167 044	1 689 483
Market share (%)	19,6 %	22,5 %	15,8 %	12,9 %	17,8 %
Unit prices (EUR/tonne)	318	338	259	322	318
<i>Situation of EU producers</i> ⁽²⁾					
Utilisation of capacity (%) ⁽³⁾	69,8 %	71,9 %	66,3 %	68,3 %	68,0 %
Production (tonnes)	9 060 000	9 312 000	8 724 000	9 000 000	9 144 000
Sales volume in the EU (tonnes)	7 416 000	7 872 000	7 596 000	7 860 000	7 800 000
Sales volume outside the EU (tonnes)	1 644 000	1 440 000	1 128 000	1 140 000	1 344 000
Market share (%)	80,4 %	77,5 %	84,2 %	87,1 %	82,2 %
Unit sales price (EUR/tonne)	402	426	336	337	383
Net profit/loss on EU sales (in %)	13,7 %	16,9 %	1,5 %	- 1,2 %	0,3 %
Employment (end of period) — Index ⁽⁴⁾	100	128	146	123	95
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	382	386	384	379	360
Net profit/loss on EU sales (%)	3,6 %	- 2,2 %	0,1 %	- 1,4 %	- 7,8 %

Price comparison for 2001

Price undercutting	20,3 %
Price underselling	26,2 %

Annex 1.11

ECONOMIC INDICATORS — (Provisional Determination)

Product 11 Wide flats

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	532 233	590 410	571 041	576 076	637 200
<i>Imports</i> ⁽¹⁾					
Volume (tonnes)	112 233	134 410	127 041	108 076	169 200
Market share (%)	21,1 %	22,8 %	22,2 %	18,8 %	26,6 %
Unit prices (EUR/tonne)	300	315	276	291	309
<i>Situation of EU producers</i> ⁽²⁾					
Utilisation of capacity (%) ⁽³⁾	69,8 %	71,9 %	66,3 %	68,3 %	68,0 %
Production (tonnes)	444 000	480 000	456 000	492 000	504 000
Sales volume in the EU (tonnes)	420 000	456 000	444 000	468 000	468 000
Sales volume outside the EU (tonnes)	24 000	24 000	12 000	24 000	36 000
Market share (%)	78,9 %	77,2 %	77,8 %	81,2 %	73,4 %
Unit sales price (EUR/tonne)	309	353	278	345	337
Net profit/loss on EU sales (in %)	9,0 %	11,4 %	- 15,0 %	- 11,4 %	- 8,2 %
Employment (end of period) — Index ⁽⁴⁾	100	100	106	95	93
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	353	332	333	330	330
Net profit/loss on EU sales (%)	- 4,3 %	- 10,9 %	- 9,0 %	- 11,2 %	- 16,0 %

Price comparison for 2001

Price undercutting	8,9 %
Price underselling	24,8 %

Annex 1.12

ECONOMIC INDICATORS — (Provisional Determination)

Product 12 Non alloy Merchant Bars and Light Sections

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	8 809 708	9 064 016	9 188 928	9 634 745	9 310 800
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	577 708	796 016	824 928	838 745	862 800
Market share (%)	6,6 %	8,8 %	9,0 %	8,7 %	9,3 %
Unit prices (EUR/tonne)	286	297	255	279	296
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	63,3 %	64,4 %	61,8 %	65,6 %	61,6 %
Production (tonnes)	9 036 000	9 024 000	8 988 000	9 528 000	9 132 000
Sales volume in the EU (tonnes)	8 232 000	8 268 000	8 364 000	8 796 000	8 448 000
Sales volume outside the EU (tonnes)	804 000	756 000	624 000	732 000	684 000
Market share (%)	93,4 %	91,2 %	91,0 %	91,3 %	90,7 %
Unit sales price (EUR/tonne)	306	343	299	316	337
Net profit/loss on EU sales (in %)	0,2 %	0,4 %	0,4 %	0,3 %	0,1 %
Employment (end of period) — Index ⁽⁴⁾	100	99	97	94	90
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	334	342	336	336	336
Net profit/loss on EU sales (%)	0,4 %	0,3 %	-0,1 %	-0,1 %	0,2 %

Price comparison for 2001

Price undercutting	14,0 %
Price underselling	19,4 %

Annex 1.13

ECONOMIC INDICATORS — (Provisional Determination)

Product 13 Alloy Merchant Bars and Light Sections

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	2 496 459	2 747 936	2 496 688	2 859 101	2 829 600
<i>Imports</i> ⁽¹⁾					
Volume (tonnes)	120 459	179 936	168 688	195 101	237 600
Market share (%)	4,8 %	6,5 %	6,8 %	6,8 %	8,4 %
Unit prices (EUR/tonne)	484	494	440	412	462
<i>Situation of EU producers</i> ⁽²⁾					
Utilisation of capacity (%) ⁽³⁾	63,3 %	64,4 %	61,8 %	65,6 %	61,6 %
Production (tonnes)	2 604 000	2 820 000	2 484 000	2 880 000	2 820 000
Sales volume in the EU (tonnes)	2 376 000	2 568 000	2 328 000	2 664 000	2 592 000
Sales volume outside the EU (tonnes)	228 000	252 000	156 000	216 000	228 000
Market share (%)	95,2 %	93,5 %	93,2 %	93,2 %	91,6 %
Unit sales price (EUR/tonne)	532	554	510	513	550
Net profit/loss on EU sales (in %)	3,4 %	3,3 %	1,9 %	1,5 %	- 0,3 %
Employment (end of period) — Index ⁽⁴⁾	100	100	97	98	95
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	535	544	554	587	587
Net profit/loss on EU sales (%)	0,6 %	0,3 %	0,1 %	- 1,4 %	- 1,4 %

Price comparison for 2001

Price undercutting	19,1 %
Price underselling	26,7 %

Annex 1.14

ECONOMIC INDICATORS — (Provisional Determination)

Product 14 Rebars

Data per Calendar Year	1997	1998	1999	2000	2001
<i>Consumption (tonnes)</i>	11 107 842	11 524 556	12 315 861	12 939 643	13 428 000
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	475 842	676 556	1 455 861	1 215 643	1 488 000
Market share (%)	4,3 %	5,9 %	11,8 %	9,4 %	11,1 %
Unit prices (EUR/tonne)	243	242	220	244	250
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	61,2 %	64,3 %	68,2 %	73,7 %	80,5 %
Production (tonnes)	11 508 000	11 544 000	11 436 000	12 552 000	12 576 000
Sales volume in the EU (tonnes)	10 632 000	10 848 000	10 860 000	11 724 000	11 940 000
Sales volume outside the EU (tonnes)	876 000	696 000	576 000	828 000	636 000
Market share (%)	95,7 %	94,1 %	88,2 %	90,6 %	88,9 %
Unit sales price (EUR/tonne)	275	248	250	264	270
Net profit/loss on EU sales (in %)	- 1,5 %	- 1,0 %	3,5 %	3,0 %	- 2,1 %
Employment (end of period) — Index ⁽⁴⁾	100	100	97	98	95
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	267	268	285	265	251
Net profit/loss on EU sales (%)	- 1,3 %	- 2,3 %	- 2,9 %	- 1,9 %	- 1,2 %

Price comparison for 2001

Price undercutting	8,0 %
Price underselling	14,9 %

Annex 1.15

ECONOMIC INDICATORS — (Provisional Determination)

Product 15 Stainless Bars and Light Shapes

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	510 059	613 549	571 129	616 897	638 412
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	64 211	70 405	62 161	71 833	67 956
Market share (%)	12,6 %	11,5 %	10,9 %	11,6 %	10,6 %
Unit prices (EUR/tonne)	1 935	1 715	1 468	1 783	1 807
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	70,1 %	80,2 %	75,3 %	80,0 %	75,4 %
Production (tonnes)	571 608	654 120	614 256	684 888	713 856
Sales volume in the EU (tonnes)	445 848	543 144	508 968	545 064	570 456
Sales volume outside the EU (tonnes)	125 760	110 976	105 288	139 824	143 400
Market share (%)	87,4 %	88,5 %	89,1 %	88,4 %	89,8 %
Unit sales price (EUR/tonne)	2 151	1 898	1 759	2 142	2 056
Net profit/loss on EU sales (in %)	14,3 %	8,0 %	6,7 %	11,7 %	5,7 %
Employment (end of period) — Index ⁽⁴⁾	100	100	97	98	95
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	2 114	2 001	2 093	2 008	2 008
Net profit/loss on EU sales (%)	10,6 %	9,8 %	7,7 %	5,3 %	5,3 %

Price comparison for 2001

Price undercutting	13,8 %
Price underselling	15,5 %

Annex 1.16

ECONOMIC INDICATORS — (Provisional Determination)

Product 16 Stainless Wire Rod

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	357 729	383 943	373 530	441 841	387 236
<i>Imports</i> ⁽¹⁾					
Volume (tonnes)	9 909	26 151	16 218	19 441	17 540
Market share (%)	2,8 %	6,8 %	4,3 %	4,4 %	4,5 %
Unit prices (EUR/tonne)	1 683	1 467	1 289	1 998	1 761
<i>Situation of EU producers</i> ⁽²⁾					
Utilisation of capacity (%) ⁽³⁾	90,9 %	89,4 %	89,1 %	87,4 %	80,4 %
Production (tonnes)	423 336	418 296	443 628	528 312	455 256
Sales volume in the EU (tonnes)	347 820	357 792	357 312	422 400	369 696
Sales volume outside the EU (tonnes)	75 516	60 504	86 316	105 912	85 560
Market share (%)	97,2 %	93,2 %	95,7 %	95,6 %	95,5 %
Unit sales price (EUR/tonne)	1 752	1 633	1 496	1 970	1 818
Net profit/loss on EU sales (in %)	2,0 %	- 1,0 %	- 4,0 %	4,3 %	2,5 %
Employment (end of period) — Index ⁽⁴⁾	100	100	97	98	95
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	1 921	1 803	1 780	1 680	1 680
Net profit/loss on EU sales (%)	5,0 %	3,1 %	3,0 %	- 2,9 %	- 2,9 %

Price comparison for 2001

Price undercutting

3,2 %

Price underselling

Not available

Annex 1.17

ECONOMIC INDICATORS — (Provisional Determination)

Product 17 Stainless Steel Wire

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	126 908	138 262	133 267	136 873	133 596
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	28 112	36 742	32 959	33 673	34 740
Market share (%)	22,2 %	26,6 %	24,7 %	24,6 %	26,0 %
Unit prices (EUR/tonne)	2 852	2 669	2 432	3 194	3 354
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	83,5 %	83,6 %	80,6 %	82,6 %	77,3 %
Production (tonnes)	126 816	129 384	128 208	134 040	127 932
Sales volume in the EU (tonnes)	98 796	101 520	100 308	103 200	98 856
Sales volume outside the EU (tonnes)	28 020	27 864	27 900	30 840	29 076
Market share (%)	77,8 %	73,4 %	75,3 %	75,4 %	74,0 %
Unit sales price (EUR/tonne)	3 540	3 381	3 166	3 501	3 410
Net profit/loss on EU sales (in %)	0,0 %	1,0 %	- 0,5 %	- 2,0 %	- 5,0 %
Employment (end of period) — Index ⁽⁴⁾	100	99	98	97	95
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)	3 564	3 417	3 351	3 175	3 175
Net profit/loss on EU sales (%)	3,5 %	3,6 %	3,0 %	2,3 %	2,3 %

Price comparison for 2001

Price undercutting	1,7 %
Price underselling	15,0 %

Annex 1.18

ECONOMIC INDICATORS — (Provisional Determination)

Product 18 Fittings (< 609,6 mm)

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	70 077	70 003	64 800	61 390	63 225
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	9 910	9 427	9 483	9 859	13 794
Market share (%)	14,1 %	13,5 %	14,6 %	16,1 %	21,8 %
Unit prices (EUR/tonne)	1 784	1 762	1 739	1 658	1 581
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	51,4 %	50,1 %	47,0 %	48,4 %	53,0 %
Production (tonnes)	87 300	85 200	79 900	79 900	79 500
Sales volume in the EU (tonnes)	60 167	60 576	55 317	51 531	49 431
Sales volume outside the EU (tonnes)	27 133	24 624	24 583	28 369	30 069
Market share (%)	85,9 %	86,5 %	85,4 %	83,9 %	78,2 %
Unit sales price (EUR/tonne)	1 720	1 694	1 583	1 503	1 582
Net profit/loss on EU sales (in %)	3 %	3 %	1 %	- 2 %	- 7 %
Employment (end of period) — Index ⁽⁴⁾	100	96	92	77	75
<i>Data per quarter</i>					
	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
EU sales price (EUR/tonne)					
Net profit/loss on EU sales (%)					

Price comparison for 2001

Price undercutting	0,1 %
Price underselling	15,3 %

Annex 1.19

ECONOMIC INDICATORS — (Provisional Determination)

Product 19 Flanges other than Stainless

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	376 161	399 690	312 867	320 214	391 855
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	69 555	77 754	76 781	77 995	97 514
Market share (%)	18,5 %	19,5 %	24,5 %	24,4 %	24,9 %
Unit prices (EUR/tonne)	1 047	1 155	1 151	1 167	1 147
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	70,1 %	80,2 %	75,3 %	80,0 %	75,4 %
Production (tonnes)	394 428	413 271	314 248	359 900	418 170
Sales volume in the EU (tonnes)	306 606	321 936	236 086	242 219	294 341
Sales volume outside the EU (tonnes)	87 822	91 335	78 161	117 681	123 828
Market share (%)	81,5 %	80,5 %	75,5 %	75,6 %	75,1 %
Unit sales price (EUR/tonne)	1 622	1 701	1 526	1 369	1 430
Net profit/loss on EU sales (in %)	100	110	97	74	57
Employment (end of period) — Index ⁽⁴⁾	100	102	93	96	98
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
Net profit/loss on EU sales (%)					

Price comparison for 2001

Price undercutting	24,7 %
Price underselling	31,8 %

Annex 1.20

ECONOMIC INDICATORS — (Provisional Determination)

Product 20 Gas Pipes

Data per Calendar Year	1997	1998	1999	2000	2001
<i>Consumption (tonnes)</i>	955 734	923 608	910 780	931 122	831 915
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	334 734	382 608	327 780	394 122	336 915
Market share (%)	35,0 %	41,4 %	36,0 %	42,3 %	40,5 %
Unit prices (EUR/tonne)	435	443	382	447	438
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	43,0 %	38,2 %	40,0 %	37,1 %	34,3 %
Production (tonnes)	706 000	627 000	664 000	616 000	557 000
Sales volume in the EU (tonnes)	621 000	541 000	583 000	537 000	495 000
Sales volume outside the EU (tonnes)	85 000	86 000	81 000	79 000	62 000
Market share (%)	65,0 %	58,6 %	64,0 %	57,7 %	59,5 %
Unit sales price (EUR/tonne)	515	551	476	540	520
Net profit/loss on EU sales (in %)	4,8 %	2,7 %	5,2 %	2,5 %	- 1,0 %
Employment (end of period) — Index ⁽⁴⁾	100	90	89	84	80
<i>Data per quarter</i>					
EU sales price (EUR/tonne)	Q1 2001	Q2 2001	Q3 2001	Q4 2001	Q1 2002
Net profit/loss on EU sales (%)					

Price comparison for 2001

Price undercutting	18,7 %
Price underselling	27,0 %

Annex 1.21

ECONOMIC INDICATORS — (Provisional Determination)

Product 21 Hollow Sections

Data per Calendar Year	1997	1998	1999	2000	2001
Consumption (tonnes)	2 191 695	2 214 769	2 447 930	2 472 272	2 515 087
<i>Imports ⁽¹⁾</i>					
Volume (tonnes)	294 695	363 769	407 930	509 272	454 087
Market share (%)	13,4 %	16,4 %	16,7 %	20,6 %	18,1 %
Unit prices (EUR/tonne)	416	401	331	400	373
<i>Situation of EU producers ⁽²⁾</i>					
Utilisation of capacity (%) ⁽³⁾	52,5 %	49,9 %	52,5 %	50,2 %	50,8 %
Production (tonnes)	2 128 000	2 077 000	2 293 000	2 223 000	2 248 000
Sales volume in the EU (tonnes)	1 897 000	1 851 000	2 040 000	1 963 000	2 061 000
Sales volume outside the EU (tonnes)	231 000	226 000	253 000	260 000	187 000
Market share (%)	86,6 %	83,6 %	83,3 %	79,4 %	81,9 %
Unit sales price (EUR/tonne)	409	411	368	433	383
Net profit/loss on EU sales (in %)	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %
Employment (end of period) — Index ⁽⁴⁾	100	95	93	88	89
<i>Data per quarter</i>					
EU sales price (EUR/tonne)					
Net profit/loss on EU sales (%)					
<i>Price comparison for 2001</i>					
Price undercutting			2,8 %		
Price underselling			Not available		

⁽¹⁾ Import volumes and prices were obtained from Eurostat.

⁽²⁾ Community industry data was obtained from company returns to the relevant industry association except for unit prices, profit/loss and employment figures which were obtained direct from companies themselves and verified on spot.

⁽³⁾ Different steel products are manufactured on the same production line. In order to assess utilisation of capacity global percentages covering the different products manufactured have been reported.

⁽⁴⁾ At this provisional stage employment figures are shown in index form as they relate to a representative sample of Community producers.

ANNEX 2

Growth in imports of the 15 products concerned

Product number		1999	2000	2001	Growth in the Import/Production ratio between 2000 and 2001 (***)
1	Import volume (*)	3 843 755	4 829 967	5 112 000	10,2 %
	Import/Production (**)	19,3 %	24,9 %	27,4 %	
2	Import volume (*)	476 947	531 111	591 600	22,1 %
	Import/Production (**)	22,1 %	29,9 %	36,5 %	
3	Import volume (*)	146 296	176 786	223 200	35,2 %
	Import/Production (**)	5,9 %	7,5 %	10,1 %	
4	Import volume (*)	25 719	154 916	468 000	209,7 %
	Import/Production (**)	0,8 %	4,5 %	14,1 %	
5	Import volume (*)	1 310 720	2 458 031	2 461 200	14,7 %
	Import/Production (**)	10,4 %	19,9 %	22,8 %	
6	Import volume (*)	93 928	139 496	175 200	34,9 %
	Import/Production (**)	7,7 %	10,0 %	13,5 %	
9	Import volume (*)	610 063	529 984	525 600	9,1 %
	Import/Production (**)	12,8 %	10,3 %	11,3 %	
10	Import volume (*)	1 422 967	1 167 044	1 689 483	42,5 %
	Import/Production (**)	16,3 %	13,0 %	18,5 %	
11	Import volume (*)	127 041	108 076	169 200	52,8 %
	Import/Production (**)	27,9 %	22,0 %	33,6 %	
12	Import volume (*)	824 928	838 745	862 800	7,3 %
	Import/Production (**)	9,2 %	8,8 %	9,4 %	
13	Import volume (*)	168 688	195 101	237 600	24,4 %
	Import/Production (**)	6,8 %	6,8 %	8,4 %	
14	Import volume (*)	1 455 861	1 215 643	1 488 000	22,2 %
	Import/Production (**)	12,7 %	9,7 %	11,8 %	
17	Import volume (*)	32 959	33 673	34 740	8,1 %
	Import/Production (**)	25,7 %	25,1 %	27,2 %	
18	Import volume (*)	9 483	9 859	13 794	40,6 %
	Import/Production (**)	11,9 %	12,3 %	17,4 %	
19	Import volume (*)	76 781	77 995	97 514	7,6 %
	Import/Production (**)	24,4 %	21,7 %	23,3 %	

(*) Import volume is expressed in tonnes.

(**) The ratio Import/Production expresses the amount of imports in tonnes as a percentage of production in tonnes.

(***) This column shows the relative growth in imports from 2000 to 2001 with imports being expressed as a percentage of production of the corresponding year.

ANNEX 3

Tariff quotas referred to in Article 1

Product number	Designation of the product	CN codes	Volume of tariff quota (tonnes net) (1)	Additional duty rate	Order numbers
1	Non Alloy Hot/Rolled Coils	7208 10 00, 7208 25 00, 7208 26 00, 7208 27 00, 7208 36 00, 7208 37 10, 7208 37 90, 7208 38 10, 7208 38 90, 7208 39 10, 7208 39 90	1 910 944	18,4 %	09.0410
2	Non Alloy Hot Rolled Sheets and Plates	7208 40 10, 7208 40 90, 7208 52 99, 7208 53 90, 7208 54 10, 7208 54 90	281 912	26 %	09.0411
3	Non Alloy Hot Rolled Narrow Strip	7211 14 10, 7211 14 90, 7211 19 20, 7211 19 90, 7212 60 11, 7212 60 19, 7212 60 91	99 031	26 %	09.0412
4	Alloy Hot Rolled Flat Products	7225 19 10, 7225 30 00, 7225 40 80, 7226 19 10, 7226 91 10, 7226 91 90, 7226 99 20	23 778	26 %	09.0413
5	Cold Rolled Sheets	7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7209 90 10, 7209 90 90, 7225 20 90, 7225 50 00, 7211 23 10, 7211 23 99, 7211 29 20, 7211 29 50, 7211 29 90, 7211 90 11, 7211 90 19, 7211 90 90, 7212 60 93, 7212 60 99, 7226 92 10, 7226 92 90	935 630	16,3 %	09.0414
6	Electrical Sheets (other than GOES)	7209 16 10, 7209 17 10, 7209 18 10, 7209 26 10, 7209 27 10, 7209 28 10, 7211 23 91, 7225 19 90, 7226 19 30, 7226 19 90	41 444	17,7 %	09.0415
9	Tin Mill Products	7209 18 99, 7210 11 10, 7210 11 90, 7210 12 11, 7210 12 19, 7210 12 90, 7210 50 10, 7210 50 90, 7210 70 31, 7210 90 33, 7211 23 51, 7212 10 10, 7212 10 91, 7212 10 93, 7212 10 99, 7212 40 10, 7212 40 95	308 697	17,1 %	09.0416
10	Quarto Plates	7208 51 30, 7208 51 50, 7208 51 91, 7208 51 99, 7208 52 91, 7208 90 10, 7208 90 90, 7210 90 31, 7225 40 20, 7225 40 50, 7225 99 10	700 446	26 %	09.0417

Product number	Designation of the product	CN codes	Volume of tariff quota (tonnes net) ⁽¹⁾	Additional duty rate	Order numbers
11	Wide Flats	7208 51 10, 7208 52 10, 7208 53 10, 7211 13 00	74 016	24,8 %	09.0418
12	Non Alloy Merchant Bars and Light Sections	7214 30 00, 7214 91 10, 7214 91 90, 7214 99 31, 7214 99 39, 7214 99 50, 7214 99 61, 7214 99 69, 7214 99 80, 7214 99 90, 7215 90 10, 7228 80 90, 7216 10 00, 7216 21 00, 7216 22 00, 7216 40 10, 7216 40 90, 7216 50 10, 7216 50 91, 7216 50 99, 7216 99 10,	415 723	19,4 %	09.0419
13	Alloy Merchant Bars and Light Sections	7228 20 11, 7228 20 19, 7228 20 30, 7228 30 41, 7228 30 49, 7228 30 61, 7228 30 69, 7228 30 70, 7228 30 89, 7228 60 10, 7228 70 10, 7228 70 31, 7228 80 10	99 823	26 %	09.0420
14	Rebars	7214 20 00, 7214 99 10	737 083	14,9 %	09.0421
17	Stainless Steel Wire	7223 00 11, 7223 00 91, 7223 00 19, 7223 00 99	18 547	15 %	09.0422
18	Fittings (< 609,6 mm)	7307 93 11, 7307 93 19	6 076	15,3 %	09.0423
19	Flanges (other than stainless steel)	7307 91 00	46 253	26 %	09.0424

⁽¹⁾ The tariff quotas do not apply to

- ECSC products originating in the Russian Federation, Kazakhstan and Ukraine,
- products originating in the developing countries listed in Annex 4, apart from those marked with an 'x' in relation to that product.

**DIRECTIVE 2002/30/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 26 March 2002**

**on the establishment of rules and procedures with regard to the introduction of noise-related
operating restrictions at Community airports**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 80(2) thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the Economic and Social Committee ⁽²⁾,

Having regard to the opinion of the Committee of the Regions ⁽³⁾,

Acting in accordance with the procedure laid down in Article 251 of the Treaty ⁽⁴⁾,

Whereas:

- (1) A key objective of the common transport policy is sustainable development. This requires an integrated approach aimed at ensuring both the effective functioning of the Community's transport systems and the protection of the environment.
- (2) Sustainable development of air transport necessitates the introduction of measures aimed at reducing the noise nuisance from aircraft at airports with particular noise problems.
- (3) A new, more stringent noise certification standard, defined in Volume 1, Part II, Chapter 4 of Annex 16 to the Convention on International Civil Aviation, has been established within the framework of the International Civil Aviation Organisation (ICAO) and will contribute to an improvement in the noise climate around airports in the longer term.
- (4) The Chapter 4 standard has been established for certification of aircraft and not as a basis for the introduction of operating restrictions.
- (5) The gradual removal of Chapter 2 aeroplanes pursuant to Council Directive 92/14/EEC of 2 March 1992 on the limitation of the operation of aeroplanes covered by Part II, Chapter 2, Volume 1 of Annex 16 to the Convention on International Civil Aviation, second edition (1988) ⁽⁵⁾ will be completed on 1 April 2002 and new measures

will be required to prevent a deterioration in the noise climate after 2002, assuming continued growth of air transport in Europe.

- (6) The use of aeroplanes with a better environmental performance can contribute to a more effective use of available airport capacity and facilitate airport infrastructure development in line with market requirements.
- (7) A common framework of rules and procedures for the introduction of operating restrictions at Community airports, as part of a balanced approach on noise management, will help safeguard internal market requirements by introducing similar operating restrictions at airports with broadly comparable noise problems. This includes assessment of the noise impact at an airport and evaluation of the measures available to alleviate that impact, and selection of the appropriate mitigation measures with the goal of achieving the maximum environmental benefit most cost effectively.
- (8) Council Regulation (EEC) No 2408/92 of 23 July 1992 on access for Community air carriers to intra-Community air routes ⁽⁶⁾ provides in Articles 8 and 9 for, *inter alia*, publication and examination of new operating restrictions: the relationship of those provisions with this Directive should be set out.
- (9) The legitimate interest of the air transport sector in applying cost-effective solutions for meeting noise management goals should be recognised.
- (10) The 33rd ICAO Assembly has adopted Resolution A33/7 introducing the concept of a 'balanced approach' to noise management, thereby establishing a policy approach to address aeroplane noise, including international guidance for the introduction of operating restrictions on an airport-by-airport basis. The 'balanced approach' concept of aircraft noise management comprises four principal elements and requires careful assessment of all different options to mitigate noise, including reduction of aeroplane noise at source, land-use planning and management measures, noise abatement operational procedures and operating restrictions, without prejudice to relevant legal obligations, existing agreements, current laws and established policies.

⁽¹⁾ OJ C 75 E, 26.3.2002, p. 318.

⁽²⁾ Opinion delivered on 20 March 2002 (not yet published in the Official Journal).

⁽³⁾ Opinion delivered on 14 March 2002 (not yet published in the Official Journal).

⁽⁴⁾ Opinion of the European Parliament of 13 March 2002 (not yet published in the Official Journal). Council Decision of 26 March 2002.

⁽⁵⁾ OJ L 76, 23.3.1992, p. 21. Directive as last amended by Commission Regulation (EC) No 991/2001 (OJ L 138, 22.5.2001, p. 12).

⁽⁶⁾ OJ L 240, 24.8.1992, p. 8.

- (11) The balanced approach is an important step towards achieving noise-reduction. But if effective and sustainable noise-reduction is to be achieved, more stringent technical standards, such as more stringent noise standards for aircraft combined with action to take noisy aircraft out of service, will also be necessary.
- (12) A Directive of the European Parliament and of the Council on the assessment and management of environmental noise ⁽¹⁾ which is a horizontal measure covering all modes of transport has introduced a common approach for the assessment and management of environmental noise. It aims at monitoring the environmental problem caused by noise in major agglomerations and in the vicinity of main transport infrastructures, including airports, at making information on environmental noise and its effects available to the public, and at requesting competent authorities to draw up action plans with a view to preventing and reducing environmental noise where necessary and to preserving environmental noise quality where it is good.
- (13) Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment ⁽²⁾ already provides for a comprehensive assessment of airport projects including noise mitigation. This can be considered as meeting, in part, the assessment requirements of this Directive in the case of airport infrastructure extension projects.
- (14) Such an assessment may demonstrate that the objectives can only be achieved by a restriction on new services and the gradual withdrawal of aeroplanes that meet the Chapter 3 noise certification standard by a small margin.
- (15) The particular noise problems of airports which are located in the centre of large conurbations ('city airports') should be recognised by allowing for the introduction of more stringent rules.
- (16) It is necessary to finalise the indicative list of city airports on the basis of information to be provided by Member States.
- (17) The extension of airport infrastructure should be facilitated with a view to safeguarding the sustainable development of air transport activities.
- (18) It is necessary to allow for the continuation of existing airport-specific noise management measures and for certain technical changes to operating restrictions of a partial nature.
- (19) Undue economic hardship for operators from developing countries should be avoided by allowing for the granting of exemptions where appropriate, and such provision should include safeguards to avoid abuse.
- (20) It is necessary to ensure transparency and consultation of all interested parties regarding proposals for noise-related measures, including the introduction of new operating restrictions.
- (21) Operators should be given a reasonable period of advance notice when new operating restrictions are to be introduced.
- (22) Provisions should be adopted to ensure the right of appeal against the introduction of operating restrictions to an appeal body, which may be a court.
- (23) The Directive is in accordance with the principles of subsidiarity and proportionality as set out in Article 5 of the Treaty. The introduction of operating restrictions at Community airports can contribute to the objective of preventing a worsening of the noise climate around airports, but there is a possibility of introducing distortions of competition. The objective can therefore be more effectively achieved by the Community by means of harmonised rules on the introduction of operating restrictions as part of the noise management process. The Directive confines itself to the minimum required in order to achieve this objective and does not go beyond what is necessary for that purpose.
- (24) The measures necessary for the implementation of this Directive should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission ⁽³⁾.
- (25) The measures provided for by this Directive supersede those provided by Council Regulation (EC) No 925/1999 of 29 April 1999 on the registration and operation within the Community of certain types of civil subsonic jet aeroplanes which have been modified and recertificated as meeting the standards of volume 1, Part II, Chapter 3 of Annex 16 to the Convention on International Civil Aviation, third edition (July 1993) ⁽⁴⁾. That Regulation should therefore be repealed.

HAVE ADOPTED THIS DIRECTIVE:

Article 1

Objectives

The objectives of this Directive are

- (a) to lay down rules for the Community to facilitate the introduction of operating restrictions in a consistent manner at airport level so as to limit or reduce the number of people significantly affected by the harmful effects of noise;
- (b) to provide a framework which safeguards internal market requirements;

⁽¹⁾ This Directive is being drawn up and will apply after its adoption.
⁽²⁾ OJ L 175, 5.7.1985, p. 40. Directive as amended by Council Directive 97/11/EC, (OJ L 73, 14.3.1997, p. 5).

⁽³⁾ OJ L 184, 17.7.1999, p. 23.

⁽⁴⁾ OJ L 115, 4.5.1999, p. 1.

- (c) to promote development of airport capacity in harmony with the environment;
- (d) to facilitate the achievement of specific noise abatement objectives at the level of individual airports;
- (e) to enable measures to be chosen from those available with the aim of achieving maximum environmental benefit in the most cost-effective manner.

Article 2

Definitions

For the purpose of this Directive:

- (a) 'Airport' shall mean a civil airport within the Community which has more than 50 000 movements of civil subsonic jet aeroplanes per calendar year (a movement being a take-off or landing), taking into consideration the average of the last three calendar years before the application of the rules of this Directive to the airport in question;
- (b) 'City airport' shall mean an airport in the centre of a large conurbation, of which no runway has a take-off run available of more than 2 000 metres and which provides only point-to-point services between or within European states, where a significant number of people are objectively affected by aircraft noise and where any incremental increase in aircraft movements represents a particularly high annoyance in the light of the extreme noise situation. These airports are listed in Annex I. That Annex may be amended in accordance with the procedure laid down in Article 13(3);
- (c) 'Civil subsonic jet aeroplanes' shall mean aeroplanes with a maximum certificated take-off mass of 34 000 kg or more, or with a certified maximum internal accommodation for the aeroplane type in question consisting of more than 19 passenger seats, excluding any seats for crew only;
- (d) 'Marginally compliant aircraft' shall mean civil subsonic jet aeroplanes, that meet the certification limits laid down in Volume 1, Part II, Chapter 3 of Annex 16 to the Convention on International Civil Aviation by a cumulative margin of not more than 5EPNdB (Effective Perceived Noise in decibels), whereby the cumulative margin is the figure expressed in EPNdB obtained by adding the individual margins (i.e. the differences between the certificated noise level and the maximum permitted noise level) at each of the three reference noise measurement points as defined in Volume 1, Part II, Chapter 3 of Annex 16 to the Convention on International Civil Aviation;
- (e) 'Operating restrictions' shall mean noise related action that limits or reduces access of civil subsonic jet aeroplanes to an airport. It includes operating restrictions aimed at the withdrawal from operations of marginally compliant aircraft at specific airports as well as operating restrictions

of a partial nature, affecting the operation of civil subsonic aeroplanes according to time period;

- (f) 'Interested parties' shall mean natural or legal persons affected or likely to be affected by, or having a legitimate interest in the introduction of, noise reduction measures, including operating restrictions;
- (g) 'Balanced approach' shall mean an approach under which Member States shall consider the available measures to address the noise problem at an airport in their territory, namely the foreseeable effect of a reduction of aircraft noise at source, land-use planning and management, noise abatement operational procedures and operating restrictions.

Article 3

Competent authorities

Member States shall ensure that there are competent authorities responsible for matters falling within the scope of this Directive.

Article 4

General rules on aircraft noise management

1. Member States shall adopt a balanced approach in dealing with noise problems at airports in their territory. They may also consider economic incentives as a noise management measure.
2. When considering operating restrictions, the competent authorities shall take into account the likely costs and benefits of the various measures available as well as airport-specific characteristics.
3. Measures or a combination of measures taken under this Directive shall not be more restrictive than necessary in order to achieve the environmental objective established for a specific airport. They shall be non-discriminatory on grounds of nationality or identity of air carrier or aircraft manufacturer.
4. Performance-based operating restrictions shall be based on the noise performance of the aircraft as determined by the certification procedure conducted in accordance with Volume 1 of Annex 16 to the Convention on International Civil Aviation, third edition (July 1993).

Article 5

Rules on assessment

1. When a decision on operating restrictions is being considered, the information as specified in Annex II shall, as far as appropriate and possible, for the operating restrictions concerned and for the characteristics of the airport, be taken into account.

2. Where airport projects are subject to an environmental impact assessment pursuant to Directive 85/337/EEC, the assessment carried out in accordance with that Directive shall be considered as meeting the requirements of paragraph 1, provided that the assessment has taken into account as far as possible the information as specified in Annex II to this Directive.

Article 6

Rules on the introduction of operating restrictions aimed at the withdrawal of marginally compliant aircraft

1. If the assessment of all available measures, including operating restrictions of a partial nature, carried out in conformity with the requirements of Article 5 demonstrates that the achievement of the objectives of this Directive requires the introduction of restrictions aimed at the withdrawal of marginally compliant aircraft, the following rules shall apply instead of the procedure laid down in Article 9 of Regulation (EEC) No 2408/92 at the airport under consideration:

- (a) six months after the completion of the assessment and decision on the introduction of an operating restriction, no services over and above those operated in the corresponding period of the previous year shall be allowed with marginally compliant aircraft at that airport;
- (b) not less than six months thereafter, each operator may be required to reduce the number of movements of his marginally compliant aircraft serving that airport at an annual rate of not more than 20 % of the initial total number of these movements.

2. Subject to the rules on assessment of Article 5, city airports listed in Annex I may introduce measures that are more stringent, in terms of the definition of marginally compliant aircraft provided that these measures do not affect civil subsonic jet aeroplanes that comply, through either original certification or recertification, with the noise standards in Volume 1, Part II, Chapter 4 of Annex 16 to the Convention on International Civil Aviation.

Article 7

Existing operating restrictions

Article 5 shall not apply to:

- (a) operating restrictions that were already established on the date of entry into force of this Directive;
- (b) minor technical changes to operating restrictions of a partial nature that do not have any significant cost implications for the airline operators at any given Community airport and that have been introduced after the entry into force of this Directive.

Article 8

Exemption for aircraft registered in developing countries

Marginally compliant aircraft registered in developing countries shall, for a period of 10 years after the entry into force of this

Directive, be exempted from the provisions of Article 6, provided that:

- (a) such aircraft, granted noise certification to the standards specified in Volume 1, Part II, Chapter 3 of Annex 16 to the Convention on International Civil Aviation, were used at the airport concerned in the Community between 1 January 1996 and 31 December 2001 ('the reference period'), and
- (b) these aircraft were, in the reference period, on the register of the developing country concerned and that they continue to be operated by a natural or legal person established in that country.

Article 9

Exemption for aircraft operations of an exceptional nature

In individual cases, Member States may authorise, at airports situated in their territory, individual operations of marginally compliant aircraft which could not take place on the basis of the other provisions of this Directive.

This exemption is limited to:

- (a) aircraft whose individual operations are of such an exceptional nature that it would be unreasonable to withhold a temporary exemption;
- (b) aircraft on non-revenue flights for the purpose of alterations, repair or maintenance.

Article 10

Consultation and transparency

Member States shall ensure that, for the application of Articles 5 and 6, procedures for consultation of interested parties are established in accordance with applicable national law.

Article 11

Prior notice

1. Member States shall ensure that on the introduction of any new operating restriction, public notice, including an explanation of the reasons for introducing it taking into account the appropriate elements of the balanced approach, is given to all interested parties:

- (a) six months before the entry into force of the measures referred to in Article 6(1)(a);
- (b) one year before the entry into force of the measures referred to in Article 6(1)(b) and (2);
- (c) in the case of measures under Article 6, two months before the scheduling-conference for the relevant scheduling-period.

2. Member States shall forthwith inform the other Member States and the Commission of any new operating restriction within the meaning of this Directive that they have decided to introduce at an airport in their territory.

*Article 12***Right of appeal**

Member States shall ensure the right to appeal against the measures taken pursuant to Article 6 and Article 7(b) before an appeal body other than the authority that has adopted the contested measure, in accordance with national legislation and procedures.

*Article 13***Committee**

1. The Commission shall be assisted by the Committee instituted by Article 11 of Regulation (EEC) No 2408/92.
2. The Committee may be consulted by the Commission on any matter concerning the application of this Directive.
3. When reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.
4. The Committee shall take note of the assessments undertaken by the Member States in accordance with Article 5, and of the measures taken, or intended to be taken, on the basis of these assessments.

*Article 14***Information and revision**

Member States shall upon request submit information on the application of this Directive to the Commission.

No later than five years after the entry into force of this Directive the Commission shall report to the European Parliament and to the Council on the application of this Directive.

The report shall be accompanied, where necessary, by proposals for revision of the Directive.

It shall contain an assessment of the effectiveness of this Directive, in particular the need to revise the definition of

marginally compliant aircraft as laid down in Article 2(d) in favour of a more stringent requirement.

*Article 15***Repeal**

Regulation (EC) No 925/1999 shall be repealed as from the date of entry into force of this Directive.

*Article 16***Implementation**

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 28 September 2003 at the latest. They shall forthwith inform the Commission thereof.

When Member States adopt these measures, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. The methods of making such a reference shall be laid down by the Member States.

*Article 17***Entry into force**

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

*Article 18***Addressees**

This Directive is addressed to the Member States.

Done at Brussels, 26 March 2002.

For the European Parliament

The President

P. COX

For the Council

The President

F. ÁLVAREZ-CASCOS FERNÁNDEZ

ANNEX I

List of city airports

Berlin-Tempelhof
Stockholm Bromma
London City
Belfast City

ANNEX II

Information referred to in Article 5(1)

1. Current inventory
 - 1.1. A description of the airport including information about its capacity, location, surroundings, air traffic volume and mix and runway mix.
 - 1.2. A description of the environmental objectives for the airport and the national context.
 - 1.3. Details of noise contours for the current and previous years — including an assessment of the number of people affected by aircraft noise. Description of the computational method used to develop the contours.
 - 1.4. A description of measures to reduce aircraft noise already implemented: for example, information on land-use planning and management; noise insulation programmes; operating procedures such as PANS-OPS; operation restrictions such as noise limits, night limits/curfew, noise charges; preferential runway use, noise preferred routes/track-keeping, and noise monitoring.
 2. Forecast without new measures
 - 2.1. Descriptions of airport developments (if any) already approved and in the programme, for example, increased capacity, runway and/or terminal expansion, and the projected future traffic mix and estimated growth.
 - 2.2. In case of airport capacity extension, the benefits of making that additional capacity available.
 - 2.3. A description of effect on noise climate without further measures, and of those measures already planned to lessen that noise impact over the same period.
 - 2.4. Forecast noise contours — including an assessment of the number of people likely to be affected by aircraft noise — distinguish between established residential areas and newly constructed residential areas.
 - 2.5. Evaluation of the consequences and possible costs of not taking action to lessen the impact of increased noise — if it is expected to occur.
 3. Assessment of additional measures
 - 3.1. Outline of the additional measures available as part of the different options mentioned in Article 4(1) and in particular an indication of the main reasons for their selection. Description of those measures chosen for further analysis and fuller information on the cost of introducing these measures; the number of people expected to benefit and timeframe; and a ranking of the overall effectiveness of particular measures.
 - 3.2. Assessment of the cost/effectiveness or cost/benefit of the introduction of specific measures, taking account of the socio-economic effects of the measures on the users of the airport: operators (passenger and freight); travellers and local communities.
 - 3.3. An overview of the possible environmental and competitive effects of the proposed measures on other airports, operators and other interested parties.
 - 3.4. Reasons for selection of the preferred option.
 - 3.5. A non-technical summary.
 4. Relation with the Directive of the European Parliament and of the Council on the assessment and management of environmental noise
 - 4.1. When and where noise maps or action plans have been prepared under the terms of the said Directive these will be used for providing the information required in this Annex.
 - 4.2. The assessment of noise exposure (i.e. establishment of noise contours and number of people affected) shall be carried out using at least the common noise indicators Lden and Lnight as specified in the abovementioned Directive, where available.
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