COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 23.08.1999 COM(1999) 429 final

Proposal for a

COUNCIL REGULATION (EC)

amending Council Regulation (EC) No 772/1999 imposing definitive antidumping and countervailing duties on imports of farmed Atlantic salmon originating in Norway

(presented by the Commission)

EXPLANATORY MEMORANDUM

- 1. By Regulation (EC) No 772/1999, the Council imposed definitive antidumping and countervailing duties on imports of farmed Atlantic salmon from Norway, except where this product is exported by one of the Norwegian exporters from which the Commission, by Decision 97/634/EC, had accepted individual price undertakings. These companies are listed in the Annex to the aforementioned Decision.
- 2. By Regulation (EC) No 929/1999, the Commission imposed provisional antidumping and countervailing duties on four Norwegian exporters which had apparently violated their undertakings in relation to the third reporting quarter of 1998.
- Having been given an opportunity to comment and having investigated further, one of these four companies was found **not** to have violated its undertaking and the Commission has repealed the provisional duties imposed against this company. With regard to the tremaining three companies, it has been definitively established that they failed to comply with their obligations under the terms of their undertakings and consequently, it is proposed that the Council impose definitive duties against them.
- 4. In addition, four other Norwegian companies have claimed that they are "new exporters" within the meaning of the basic anti-dumping Regulation and have offered undertakings. Having investigated the matter, the Commission has accepted the undertakings and the companies have been added to the list of companies benefiting from an exemption to the duties.
- Two other companies from which undertakings had previously been accepted advised the Commission they had changed their names and requested that these changes be reflected in the list of companies benefiting from an exemption to the duties. The requests were found to be acceptable and the list should be amended accordingly.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 384/96 of 22 December 1995 on protection against dumped imports from countries not members of the European Community¹, as last amended by Regulation (EC) No 905/98² of 27 April 1998, and in particular Articles 8(9) and 9 thereof,

Having regard to Council Regulation (EC) No 2026/97 of 6 October 1997 on protection against subsidised imports from countries not members of the European Community³, and in particular Articles 13(9) and 15 thereof,

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

Whereas:

A. PROVISIONAL DUTIES

- (1) Within the framework of the anti-dumping and anti-subsidy investigations initiated by two separate notices published in the *Official Journal of the European Communities*⁴, the Commission accepted, by Decision 97/634/EC⁵, undertakings offered by the Kingdom of Norway and by 190 Norwegian exporters.
- (2) The text of the undertakings provides that failure to submit a quarterly report of all sales transactions to the first unrelated customer in the Community within a prescribed time-limit except in case of *force majeure* would be construed as a violation of the undertaking, as would non-compliance with the obligation to sell the product concerned on the Community market at or above the minimum prices foreseen in the undertaking.

OJ L 128, 30,4,1998, p. 18.

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OJ L 56, 6.3.1996, p. 1.

³ OJ L 288, 21.10.1997, p. 1.

OJ C 235, 31. 8.1996, p. 18, and OJ C 235, 31.8.1996, p. 20.

⁵ OJ L 267, 30.9.1997, p. 81.

- (3) For the third quarter of 1998, one Norwegian company did not present a report within the prescribed time limit, another Norwegian exporter appeared to have sold the product concerned to the Community market at a price which was below the price foreseen in its undertaking. Two other exporters appeared to have made misleading declarations as to the identity of the exporter and the identity and nature of the sales reported.
- (4) The Commission therefore had reason to believe that these four companies had breached the terms of their undertakings and consequently, by Regulation (EC) No 929/1999⁶ (hereinafter referred to as the "provisional duty Regulation"), imposed provisional anti-dumping and countervailing duties on imports of farmed Atlantic Salmon falling within CN codes ex 0302 12 00, ex 0304 10 13, ex 0303 22 00 and ex 0304 20 13 originating in Norway and exported by the four companies listed in Annex II of that Regulation. By the same Regulation, the Commission deleted the companies concerned from the Annex to Decision 97/634/EC, which listed the companies from which undertakings were accepted.

B. SUBSEQUENT PROCEDURE

- (5) All four Norwegian companies subject to the provisional duties received disclosure in writing concerning the essential facts and considerations on the basis of which these provisional duties were imposed. They were also given an opportunity to submit comments and request a hearing.
- (6) Within the time limit set in the provisional duty Regulation, all the Norwegian companies concerned submitted comments in writing and one requested a hearing, which was granted. Following these submissions, the Commission sought and examined all information it deemed necessary for the purpose of a definitive determination on the apparent violations.
- (7) In this regard, the Commission's investigation established that one of the companies against which provisional measures had been imposed had not violated its undertaking and that it should be reinstated on the list of companies benefiting from an exemption to the anti-dumping and countervailing measures. The exporter was informed of the essential facts and considerations on the basis of which it was intended to reinstate the Commission's acceptance of its undertaking.

As concerns the other three companies subject to provisional measures, they were informed of the essential facts and considerations on the basis of which it was intended to confirm the withdrawal of the Commission's acceptance of their undertaking and to recommend the imposition of definitive anti-dumping and countervailing duties and the definitive collection of the amounts secured by way of provisional duties. They were also granted a period within which to make representations subsequent to this disclosure.

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⁶ OJ L 115, 4.5.1999, p. 13.

- (8) The Commission's findings in this respect are set out more fully in Regulation (EC) No [number]⁷.
- (9) None of the comments submitted, however, have changed the conclusion that definitive anti-dumping and countervailing duties should be imposed on imports of farmed Atlantic salmon originating in Norway and exported by the three companies listed in Annex I to this Regulation.

C. DEFINITIVE DUTIES

- (10) The investigations which led to the undertakings were concluded by a final determination as to dumping and injury by Regulation (EC) No 1890/97 and a final determination as to subsidization and injury by Regulation (EC) No 1891/97. While both these Regulations were repealed by Regulation (EC) No 772/1999⁸, the facts and considerations established therein remain valid (recital 19 of Regulation (EC) No 772/1999 refers).
- (11) In accordance with Article 8 (9) of Regulation (EC) No 384/96 and Article 13(9) of Regulation (EC) No 2067/97 respectively, the rate of the anti-dumping duty and the countervailing duty must be established on the basis of the facts established within the context of the investigation which led to the undertaking. In this regard, and in view of recital 107 of Regulation (EC) No 1890/97 and recital 149 of Regulation (EC) No 1891/97, it is considered appropriate that the definitive anti-dumping and countervailing duty rates be set at the level, and in the form imposed by Regulation (EC) No 772/1999.

D. DEFINITIVE COLLECTION OF PROVISIONAL DUTIES

(12) A breach of undertaking has been definitively established in relation to the three exporters which have violated their undertakings. It is therefore considered necessary that, in relation to these exporters, the amounts secured by way of provisional anti-dumping and countervailing duties be definitively collected at the level of the definitive duties.

E. AMENDMENT OF THE ANNEX TO REGULATION (EC) NO 772/1999

- (13) By Regulation [1999], the Commission accepted undertakings from four new exporters, F.Uhrenholt Seafood Norway AS, Mesan Seafood AS, Polaris Seafood AS and Scanfish AS. Pursuant to Article 2 of Regulation (EC) No 772/1999, the Commission also extended the exemption from the anti-dumping and countervailing duties to these companies by adding their names to the Annex to that Regulation.
- (14) Two Norwegian exporters already on the list of companies from which undertakings are accepted, informed the Commission that their names had

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OJ L, [number], [date], p. [page]

⁸ OJ L 101, 16.4.1999, p. 1.

changed from Herøy Filetfabrikk AS to Atlantis Filetfabrikk AS and from SL Fjordgruppen AS to Fjord Seafood Leines AS and requested that these changes be reflected in the list of companies benefiting from the exemption from payment of anti-dumping and countervailing duties. The Commission has verified that there were no changes in the corporate structures which would call for a more detailed examination of the appropriateness of these companies maintaining their undertakings.

(15) Accordingly, in view of all the above, the Annex to Regulation (EC) No 772/1999 exempting the parties listed therein from the duty, should be amended so as to remove the exemption from the companies listed in Annex I hereto. The Annex should also be updated to take account of the exemption extended by Regulation | 1999 to F.Uhrenholt Seafood Norway AS, Mesan Seafood AS, Polaris Seafood and Scanfish AS, and of the change of name of Herøy Filetfabrikk to Atlantis Filetfabrikk AS and of SL Fjordgruppen AS to Fjord Seafood Leines AS.

HAS ADOPTED THIS REGULATION:

Article 1

The Annex to Regulation (EC) No 772/1999 is hereby replaced by Annex II hereto.

Article 2

The amounts secured by way of the provisional anti-dumping and countervailing duties imposed by Regulation (EC) No 929/1999 in relation to farmed (other than wild) Atlantic salmon falling within CN codes ex 0302 12 00 (Taric codes: 0302 12 00*21, 0302 12 00*22, 0302 12 00*23 and 0302 12 00*29), ex 0303 22 00 (Taric codes: 0303 22 00*21, 0303 22 00*22, 0303 22 00*23 and 0303 22 00*29), ex 0304 10 13 (Taric codes: 0304 10 13*21 and 0304 10 13*29) and ex 0304 20 13 (Taric codes: 0304 20 13*21 and 0304 20 13*29) originating in Norway and exported by the companies listed in Annex I to this Regulation shall be definitively collected.

Article 3

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Communities*. This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council The President

ANNEX I

<u>List of companies subject to definitive anti-dumping and countervailing duties</u>

UT No	Company Name	Taric additional code
14	Arne Mathisen A/S	8112
28	Brødrene Eilertsen A/S	8126
99	Myre Sjømat AS	8203

ANNEX II

<u>List of companies exempted from the definitive anti-dumping and countervailing duties</u>

UT No	Company Name	Taric additional
		Code
3	Agnefest Seafood	8325
7	Aqua Export A/S	8100
8	Aqua Partner A/S	8101
11	Arctic Group International	8109
13	Artic Superior A/S	8111
15	A/S Aalesundfisk	8113
16	A/S Austevoll Fiskeindustri	8114
17	A/S Keco	8115
20	A/S Refsnes Fiskeindustri	8118
21	A/S West Fish Ltd	8119
22	Astor A/S	8120
23	Atlantic King Stranda A/S	8121
24	Atlantic Seafood A/S	8122
26	Borkowski & Rosnes A/S	8124
27	Brødrene Aasjord A/S	8125
31	Christiansen Partner A/S	8129
32	Clipper Seafood A/S	8130
33	Coast Seafood A/S	8131
35	Dafjord Laks A/S	8133
36	Delfa Norge A/S	8134
39	Domstein Salmon A/S	8136
41	Ecco Fisk & Delikatesse	8138
42	Edvard Johnsen A/S	8139
43	Eurolaks AS	8140
44	Euronor AS	8141
46	Fiskeforsyningen AS	8143
47	Fjord Aqua Group AS	8144
48	Fjord Trading Ltd. AS	8145
50	Fossen AS	8147
51	Fresh Atlantic AS	8148
52	Fresh Marine Company AS	8149
53	Fryseriet AS	8150
58	Grieg Seafood AS	8300
60	Haafa fisk AS	8302
61	Hallvard Lerøy AS	8303
62	Atlantis Filetfabrikk AS	8304
66	Hydro Seafood Norway AS	8159
67	Hydrotech-gruppen AS	8428
72	Inter Sea AS	8174
75	Janas AS	8177
76	Joh. H. Pettersen AS	8178

UT No	Company Name	Taric additional Code
77	Johan J. Helland AS	8179
79	Karsten J. Ellingsen AS	8181
80	Kr Kleiven & Co. AS	8182
82	Labeyrie Norge AS	8184
83	Lafjord Group AS	8185
85	Leica Fiskeprodukter	8187
87	Lofoten Seafood Export AS	8188
92	Marine Seafood AS	8196
93	Marstein Seafood AS	8197
96	Memo Food AS	8200
98	Misundfisk AS	8202
100	Naco Trading AS	8206
101	Namdal Salmon AS	8207
104	Nergård AS	8210
105	Nils Williksen AS	8211
107	Nisja Trading AS	8213
108	Nor-Food AS	8214
111	Nordic Group ASA	8217
112	Nordreisa Laks AS	8218
113	Norexport AS	8223
114	Norfi Produkter AS	8227
115	Norfood Group AS	8228
116	Norfra Eksport AS	8229
119	Norsk Akvakultur AS	8232
120	Norsk Sjømat AS	8233
121	Northern Seafood AS	8307
122	Nortrade AS	8308
123	Norway Royal Salmon Sales AS	8309
124	Norway Royal Salmon AS	8312
126	Norway Seafoods ASA	8314
128	Norwell AS	8316
130	Nova Sea AS	8235
134	Ok-Fish Kvalheim AS	8239
137	Pan Fish Sales AS	8242
140	Polar Seafood Norway AS	8247
141	Prilam Norvège AS	8248
142	Pundslett Fisk	8251
144	Rolf Olsen Seafood AS	8254
145	Ryfisk AS	8256
146	Rørvik Fisk-og fiskematforretning AS	8257
147	Saga Lax Norge AS	8258
148	Prima Nor AS	8259
151	Sangoltgruppa AS	8262
153	Scanfood AS	8264
154	Sea Eagle Group AS	8265
155	Sea Star International AS	8266
156	Sea-Bell AS	8267

UT No	Company Name	Taric
		additional
		Code
157	Seaco AS	8268
158	Seacom AS	8269
160	Seafood Farmers of Norway Ltd AS	8271
161	Seanor AS	8272
162	Sekkingstad AS	8273
164	Sirena Norway AS	8275
165	Kinn Salmon AS	8276
167	Fjord Seafood Leines AS	8278
168	SMP Marine Produkter AS	8279
172	Stjernelaks AS	8283
174	Stolt Sea Farm AS	8285
175	Storm Company AS	8286
176	Superior AS	8287
178	Terra Seafood AS	8289
180	Timar Seafood AS	8294
182	Torris Products Ltd. AS	8298
183	Troll Salmon AS	8317
187	Vie de France Norway AS	8321
188	Vikenco AS	8322
189	Wannebo International AS	8323
190	West Fish Norwegian Salmon AS	8324
191	Nor-Fa Food AS	8102
192	Westmarine AS	8625
193	F.Uhrenholt Seafood Norway AS	A033
194	Mesan Seafood AS	A034
195	Polaris Seafood AS	A035
196	Scanfish AS	A036