COMMISSION REGULATION (EC) No 2142/2003

of 5 December 2003

terminating the definitive safeguard measures in relation to certain steel products imposed by Commission Regulation (EC) No 1694/2002

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 Council Regulation (EC) No 2474/2000 [2], and in particular Article 21 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 427/2003 [4], and in particular Article 18 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) On 27 September 2003, following a full investigation in relation to 21 steel products, the Commission imposed definitive safeguard measures in relation to seven of those steel products, namely 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, fittings (< 609,6 mm), and flanges (other than of stainless steel). In particular, the Commission concluded that, in relation to each product, increased imports result from unforeseen developments had caused serious injury to the Community producers. The Commission also noted that due to a steel safeguard measure taken by the United States of America on 5 March 2002 in relation to a wide range of steel products, imports into the Community were likely to further increase and to significantly aggravate the situation of the Community producers.

(2) Definitive safeguard measures were therefore imposed by Commission Regulation (EC) No 1694/2002 [5]. However, in recital 705 thereof, the Commission recalled that the safeguard measures were taken in the context of the effect of increased imports caused by the United States trade defence measures culminating in the United States safeguard measures, and undertook to re-examine the need for measures should circumstances change.

(3) A change of circumstances has now occurred, and the circumstances now pertaining in relation to each product are set out below. Since the imposition of safeguard measures by the Commission, the European steel market has stabilised in relation to the level of imports. Further, on 4 December 2003, the United States of America announced the withdrawal of the US safeguard measures on steel.

[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 65, 8.3.2003, p. 1.
[5] OJ L 261, 28.9.2002, p. 1.

(4) The individual circumstances pertaining to each of the seven products subject to measures is examined below. As data is not yet available for the whole of 2003, and in order to facilitate comparison with earlier years, figures for 2003 are based on an extrapolation of actual data for the first semester of 2003, in terms of which the ratio of imports in first semester 2001 and 2002 to second semester imports in 2001 and 2002 was applied to the actual data for first semester 2003 in order to estimate second semester 2003 data.

Hot-rolled coils

(5) Imports of hot-rolled coils since 2001 from those countries subject to the EC steel safeguard measures (the measures) are set out in the table below.

	2001	2002	2003
EU imports (t)	3 679 195	3 118 109	3 825 510

(6) The tariff quota for hot-rolled coils established by the measures for the period to 28 September 2003 (3 199 240 tonnes) was only exceeded in the course of September 2003, probably due to the appreciation of the euro relative to the US dollar and other major currencies which occurred at the beginning of 2003. This made it more attractive to users in the Community to purchase hot-rolled coils in the United States of America and elsewhere.

(7) It is not yet possible to definitively state the quantity and origin of imports of hot-rolled coils made in excess of the tariff quota, as import statistics are not yet available. However, the information available indicates that the quantities were small and were certainly no more than 1 % of the tariff quota. Requests for the benefit of the tariff quota by Member States on behalf of importers received by the Commission and which were not met were only 2 487 tonnes. In this regard it is noted that the tariff quota for the year to 28 September 2004 is 3 359 234 tonnes, which is, in any event, 5 % greater than that for the period to 28 September 2003 and in excess of the volume of imports for which applications to benefit from the tariff quota for hot-rolled coils in the period to 28 September 2003, were made.

Hot-rolled sheets and plates

(8) Imports of hot-rolled sheets and plates since 2001 from those countries subject to the measures are set out in the table below.

	2001	2002	2003
EU imports (t)	540 541	531 076	545 247

(9) Imports of hot-rolled sheets and plates from countries covered by the measures have increased marginally since 2001. In relation to the tariff quota established by the measures for the year to 28 September 2003 (554 286 tonnes), they have remained below the level of the tariff quota with overall tariff quota utilisation of only 88 %.