II

(Non-legislative acts)

REGULATIONS

COUNCIL IMPLEMENTING REGULATION (EU) No 831/2011
of 16 August 2011

imposing a definitive anti-dumping duty on imports of barium carbonate originating in the People’s Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community (1) (‘the basic Regulation’) and in particular Articles 9(4) and 11(2), (5) and (6) thereof,

Having regard to the proposal submitted by the European Commission (‘Commission’), after consulting the Advisory Committee,

Whereas:

A. PROCEDURE

1. Measures in force

(1) By Regulation (EC) No 1175/2005 (2) the Council, imposed a definitive anti-dumping duty on imports of barium carbonate originating in the People’s Republic of China (PRC). The rate of the definitive specific duty ranged from EUR 6.3 to EUR 56.4 per tonne.

2. Request for an expiry review

(2) Following the publication, in March 2010, of a notice of impending expiry of the anti-dumping measures applicable to imports of barium carbonate originating in the PRC (3), the Commission received on 19 April 2010 a request for an expiry review pursuant to Article 11(2) of the basic Regulation.

(3) The expiry review request was lodged by Solvay & CPC Barium Strontium GmbH & Co. KG (‘the applicant’), the sole producer of barium carbonate in the European Union, representing 100% of the total Union production of barium carbonate. The request was based on the grounds that the expiry of the measures would be likely to result in a continuation of dumping and continuation of injury to the Union industry.

(4) Having determined, after consultation of the Advisory Committee, that sufficient evidence existed for the initiation of an expiry review pursuant to Article 11(2) of the basic Regulation, the Commission published a notice of initiation in the Official Journal of the European Union (4) (‘notice of initiation’).

3. Investigation

3.1. Review investigation period and period considered

(5) The investigation regarding the continuation or recurrence of dumping and injury covered the period from 1 July 2009 to 30 June 2010 (‘Review investigation period’ or ‘RIP’).

(6) The examination of the trends relevant for the assessment of a likelihood of a continuation of injury covered the period from 1 January 2007 up to the end of the RIP (‘period considered’).

3.2. Parties concerned by the investigation

(7) The Commission officially advised the applicant, the exporting producers in the PRC, importers/traders, users in the Union known to be concerned and their associations, producers in the analogue country as well as the authorities of the PRC of the initiation of the review.

(3) OJ C 78, 27.3.2010, p. 4.
The Commission also gave interested parties the opportunity to make their views known in writing and to request a hearing within the time limit set out in the notice of initiation. All interested parties, who so requested and showed that there were particular reasons why they should be heard, were granted a hearing.

In view of the apparently large number of Chinese exporting producers listed in the request, sampling was envisaged in the notice of initiation for the determination of dumping and the likelihood of continuation of dumping, in accordance with Article 17 of the basic Regulation.

In order to enable the Commission to decide whether sampling would be necessary and, if so, to select a sample, all exporting producers were asked to make themselves known to the Commission and to provide, as specified in the notice of initiation, basic information on their activities related to the product concerned during the period 1 July 2009 to 30 June 2010.

The Commission received replies from only three companies or company groups in the PRC and therefore it was decided that sampling was not necessary in respect of Chinese exporting producers.

The Commission sent questionnaires to all parties known to be concerned and to those who requested a questionnaire within the time limit set out in the notice of initiation.

Replies to the questionnaire were received from the applicant and its related agent, nine users, four importers, two exporting producers in the PRC and two producers in possible analogue countries. One of the Chinese exporting producers that replied to the sampling exercise decided not to cooperate further in the proceeding.

The Commission sought and verified all the information it deemed necessary for the purpose of the determination of the likelihood of continuation of dumping and injury and for the determination of the Union interest. Verification visits were carried out at the premises of the following companies:

(a) Applicant

— Solvay & CPC Barium Strontium GmbH & Co. KG, Hannover and its related company Solvay Bario e Derivati SpA, Massa

(b) Exporting producers in the PRC

— Zaozhuang Yongli Chemical Co., Ltd, Shandong Province
— Guizhou Red Star Developing Import & Export Co., Ltd, Guizhou Province

(c) Producer in the analogue country (India)
— Solvay Vishnu Barium Private Limited, Hyderabad

(d) Importers
— Norkem Limited, Knutsford, United Kingdom
— L’Aprochimide Srl, Muggio, Italy

(e) Users
— Technische Glaswerke Ilmenau GmbH, Ilmenau, Germany

B. PRODUCT CONCERNED AND LIKE PRODUCT

1. Product concerned

The product concerned is the same as that in the previous investigation and is defined as follows: barium carbonate with a strontium content of more than 0.07% by weight and a sulphur content of more than 0.0015% by weight, whether in powder, pressed granular or calcined granular form, originating in the PRC, currently falling within CN code ex 2836 60 00.

Barium carbonate is used primarily in the brick and tile industry, the ceramics sector and in the production of ferrite. It was previously used in the production of cathode ray television tubes (CRT) but this application has disappeared in the Union following their replacement by LCD- and plasma-screens.

2. Like product

As in the original investigation, this procedure has shown that barium carbonate produced in the PRC and exported to the Union, as well as the barium carbonate produced and sold on the domestic market of the analogue country (India) and that manufactured and sold in the Union by the applicant have the same basic physical and chemical characteristics and the same basic uses.

Therefore these products are considered to be like products within the meaning of Article 1(4) of the basic Regulation.

C. DUMPING

In accordance with Article 11(2) of the basic Regulation, it was examined whether the expiry of the existing measures would be likely to lead to a continuation of dumping.

1. General

Of the 16 known Chinese exporting producers contacted at the initiation of the expiry review, three replied to the sampling exercise but only two fully cooperated with the Commission by replying to a full questionnaire.
2. Analogue country

(21) Since the PRC is an economy in transition and in accordance with Article 2(7)(a) of the basic Regulation, normal value for exporting producers not granted market economy treatment (‘MET’) has to be determined on the basis of the price or constructed value in an appropriate market economy third country (‘analogue country’).

(22) The USA was used as analogue country in the original investigation and proposed in the present investigation for the purposes of establishing normal value. However, it was considered necessary to verify if this country was still appropriate for the present expiry review. Letters were sent to all known producers of barium carbonate worldwide, i.e. in Brazil, India, Japan and the USA. Two replies were received, one from a producer in the USA and another from a producer in India.

(23) After a careful analysis of criteria such as total production, number of producers, competition in the market, total imports, anti-dumping duties and customs duties in both the American and the Indian domestic markets it was decided to select India as analogue country. The choice of India, in accordance with Article 2(7) of the basic Regulation, was considered to be more appropriate than USA due to its bigger market size, the larger volumes of imports and the stronger competition in its domestic market for this product. No comments or objections were received from any interested party in that respect. As a result, the normal value for exporting producers not granted MET was based on the data provided by the producer in India.

3. Dumping of imports during the RIP

3.1. Normal value

(24) For the company granted MET in the original investigation, in accordance with Article 2(2) of the basic Regulation, the Commission examined whether the domestic sales of barium carbonate to independent customers were representative during the RIP, i.e. whether the total volume of such sales represented at least 5 % of their export sales of the product concerned to the Union. The investigation showed that these sales were not representative and therefore the normal value had to be constructed. The established normal value was based on the total cost of manufacturing plus the company’s selling, general and administrative costs (‘SGA costs’) and profit achieved on domestic sales made in the ordinary course of trade of the like product.

(25) For the company that was not granted MET in the original investigation, pursuant to Article 2(7)(a) of the basic Regulation, normal value was established on the basis of the information received from the cooperating producer in the analogue country.

(26) It was first established whether the total domestic sales of the like product to independent customers were representative in accordance with Article 2(2) of the basic Regulation, i.e. whether they accounted for 5 % or more of the total sales volume of the product concerned exported to the Union. The domestic sales of the cooperating producer in India were considered sufficiently representative during the RIP.

(27) The Commission subsequently examined whether the domestic sales of the like product could be regarded as being sold in the ordinary course of trade pursuant to Article 2(4) of the basic Regulation. This was done by establishing for the like product sold on the Indian market the proportion of profitable domestic sales to independent customers during the RIP. Since there were no profitable sales of the like product during the RIP, the normal value had to be constructed. The normal value was based on the total cost of manufacturing of the producer concerned plus a reasonable amount for SGA costs and a reasonable amount of profit in accordance with Article 2(6)(c) of the basic Regulation. The SGA costs and the profit added to the manufacturing costs of the like product used were in line with those used in the original investigation and amounted to 10,6 % for SGA costs and 7,2 % for profit. No information was provided showing that these amounts would not be reasonable nor that the profit level used would exceed the profit normally realised by other exporters or producers on sales of products of the same general category in the domestic market of the country of origin.

3.2. Export price

(28) All export sales to the Union of the cooperating exporting producers concerned were made directly to independent customers in the Union and therefore, the export price was established in accordance with Article 2(8) of the basic Regulation on the basis of the prices actually paid or payable.

3.3. Comparison

(29) The comparison between normal value and export price was made on an ex-works basis.

(30) For the purposes of ensuring a fair comparison between the normal value and the export price, and in accordance with Article 2(10) of the basic Regulation, due allowance in the form of adjustments was made with regard to certain differences in transport and commissions, which affected prices and price comparability.
3.4. Dumping margin

(31) In accordance with Article 2(11) of the basic Regulation, the dumping margin was established on the basis of a comparison of the weighted average normal value with the weighted average export prices at the same level of trade.

(32) For the company that was granted MET in the original investigation this comparison showed that the company continued dumping at an even higher level.

(33) For the company that was not granted MET in the original investigation the comparison conducted in accordance with Article 2(11) of the basic Regulation showed significant dumping. This company represents 98% of exports subject to the residual duty, the remaining 2% of exporting producers that did not cooperate in the proceeding cannot influence the dumping margin found. In addition in view of their non-cooperation it is considered that they cannot dump at a lower level than the cooperating company.

D. LIKELIHOOD OF CONTINUATION OF DUMPING

(34) In accordance with Article 11(2) of the basic Regulation, it was examined whether it was likely that dumping would continue should measures be repealed.

(35) With regard to the likelihood of continuation of dumping the development of production and production capacity in the PRC was examined as well as the likely development of export sales to the Union and to other third country markets.

(36) According to the complaint, the PRC is by far the biggest producer worldwide of barium carbonate. In addition the PRC is also the biggest producer of Barite which is the main raw material for the production of the product concerned. The two cooperating companies alone have a production capacity of 331,000 tonnes per year which is around three times the Union's consumption in the RIP. In addition these two companies have a total spare capacity of 34,000 tonnes which is enough to supply half of the Union's consumption.

(37) Three of the major worldwide producers of barium carbonate (the USA, India and Brazil) currently have anti-dumping measures on Chinese imports of the product concerned. It can be concluded that given the significant spare production capacity in PRC and the dumping practices in several markets, should the measures be repealed, additional volumes would be directed to the Union market.

(38) The fact that, despite the existence of anti-dumping measures on Chinese imports, the Chinese exporting producers have managed to export significant quantities to the Union in the RIP (at an average price of EUR 251 per tonne) and to increase their market share in the Union, shows the continued interest of the Chinese exporters in the Union market.

(39) It is even more clear on the basis of the Chinese export statistics that the Union is an attractive market for the Chinese exporting producers since they achieved some of their highest export prices (albeit dumped) when exporting to the Union. According to the Chinese export statistics the average selling price to the Union during the RIP was 269 USD FOB while the average export price to India was 220 USD.

(40) The Chinese export statistics showed that despite the end of the main application for barium carbonate (CRT's production) Chinese exports have increased worldwide from 130,000 tonnes in 2009 to 158,000 tonnes in 2010.

(41) Should measures be repealed, it is expected that, in view of the huge spare production capacity in PRC, Chinese exports will very likely be directed to the Union. The fact that major markets around the world like the USA, India and Brazil are protected by high anti-dumping duties supports this conclusion.

(42) The prices of these imports would likely continue to be at dumped prices as there is no indication that the exporters would change their pricing behaviour if measures were to be repealed.

(43) It is therefore concluded that there is a likelihood of continuation of dumping.

E. DEFINITION OF THE UNION INDUSTRY

(44) The sole cooperating Union producer accounted for 100% of the Union production of barium carbonate during the RIP. It is therefore deemed to constitute the Union industry within the meaning of Article 4(1) and Article 5(4) of the basic Regulation.
F. SITUATION OF THE UNION MARKET

1. Union consumption

Table 1

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption</td>
<td>123 354</td>
<td>104 037</td>
<td>62 637</td>
<td>76 560</td>
</tr>
<tr>
<td>(in tonnes)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Index</td>
<td>100</td>
<td>84</td>
<td>51</td>
<td>62</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry and Eurostat statistics.

(45) Union consumption was based on the combined volume of sales by the Union industry in the Union and the volume of imports from third countries, based on Eurostat data.

(46) On this basis and as shown in Table 1 above, Union consumption decreased significantly during the period considered, i.e. by 38 % which is mainly explained by the disappearance of the CRT manufacturing activity in the Union.

2. Volume, market share and prices of imports from the PRC

Table 2

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Import volume</td>
<td>76 306</td>
<td>64 573</td>
<td>37 341</td>
<td>48 720</td>
</tr>
<tr>
<td>(tonne)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Index</td>
<td>100</td>
<td>85</td>
<td>49</td>
<td>64</td>
</tr>
<tr>
<td>Market share</td>
<td>61.9 %</td>
<td>62.1 %</td>
<td>59.6 %</td>
<td>63.6 %</td>
</tr>
<tr>
<td>Index</td>
<td>100</td>
<td>100</td>
<td>96</td>
<td>103</td>
</tr>
<tr>
<td>CIF import price</td>
<td>230</td>
<td>257</td>
<td>239</td>
<td>251</td>
</tr>
<tr>
<td>EUR per tonne</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Index</td>
<td>100</td>
<td>112</td>
<td>104</td>
<td>109</td>
</tr>
</tbody>
</table>

Source: Eurostat statistics.

(47) During the period considered the import volumes from the PRC decreased by 36 % while consumption in the Union decreased by 38 %. Despite the anti-dumping measures in place, and against the background of decreasing consumption, the Chinese market share increased by three percentage points over the period considered.

(48) Average import prices from the PRC increased by 9 % over the period considered. The highest increase in prices occurred between 2007 and 2008 as prices dropped in 2009 before increasing again in the RIP.

(49) The Union industry's average ex-works price was compared with the Chinese CIF average import prices at the Union frontier. These prices were derived from Eurostat figures and included post-importation costs, customs and anti-dumping duties. The comparison showed that Chinese import prices undercut the Union industry's sales price by 37.9 % during the RIP. Based on the above it was found that if measures had not been in place Chinese import prices would have undercut those of the Union industry by 44.1 %.

3. Volume and market share of imports from other third countries

(50) Total import volumes of barium carbonate from third countries other than the PRC were insignificant and represented less than 1 % of the Union consumption over the period considered.

(51) It should be noted that import prices from other third countries did not undercut Union prices in the RIP.

4. Economic situation of the Union industry

4.1. Production, production capacity and capacity utilisation

(52) It should be noted that since the Union industry consists in only one producer, data pertaining to production, capacity and utilisation had to be reported in the form of indexes.

Table 3

<table>
<thead>
<tr>
<th></th>
<th>Index</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>100</td>
<td>79</td>
<td>36</td>
<td>47</td>
<td></td>
</tr>
<tr>
<td>Production capacity</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Capacity utilisation</td>
<td>100</td>
<td>79</td>
<td>36</td>
<td>47</td>
<td></td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

(53) The Union industry's production decreased by 53 % over the period considered. It should be noted that the Union industry has adapted its production model since 2003 in
order to adequately meet the new market situation and the disappearance of the CRT-screen activity in the Union. As a consequence, production capacity was reduced by more than 50% as the product under review is now produced in alternating campaigns on the same equipment as strontium carbonate.

The production capacity of the Union industry remained unchanged over the period considered. Capacity utilisation thus developed similarly to production volumes.

4.2. Inventories

<table>
<thead>
<tr>
<th>Inventories</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>100</td>
<td>97</td>
<td>41</td>
<td>41</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

Stocks decreased by 59% during the period considered. This decrease is due to reduced demand and the ability for the Union industry to adapt to the new market situation.

4.3. Sales volume and prices

<table>
<thead>
<tr>
<th>Sales volumes, values and unit selling price</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales in volume (index)</td>
<td>100</td>
<td>84</td>
<td>53</td>
<td>59</td>
</tr>
<tr>
<td>Sales in value (index)</td>
<td>100</td>
<td>92</td>
<td>66</td>
<td>73</td>
</tr>
<tr>
<td>Unit selling price (index)</td>
<td>100</td>
<td>109</td>
<td>124</td>
<td>123</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

The Union industry sales volume decreased by 41% over the period considered. The major decrease took place in 2009 due to the general economic downturn. Thus the Union industry managed to increase its price levels over the period considered where unit selling prices increased by 23%.

4.4. Market share and growth

<table>
<thead>
<tr>
<th>Union industry’s market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
</tr>
<tr>
<td>Index</td>
</tr>
<tr>
<td>100</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry, adjusted Eurostat statistics.

The Union industry’s market share increased by 5% in 2009 before dropping significantly by 10% in the RIP. This indicates that in the absence of growth on the market, the Union industry could not maintain its market share.

4.5. Employment, wages and productivity

<table>
<thead>
<tr>
<th>Employment, wages and productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
</tr>
<tr>
<td>Employment (index)</td>
</tr>
<tr>
<td>Wages (EUR/employee: index)</td>
</tr>
<tr>
<td>Productivity (index)</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

Employment decreased significantly over the period considered as a consequence of the economic downturn and the new market situation. Average wages increased by 13% as a consequence of high inflation rate which directly impacted salary indexing. Productivity decreased by 18% during the same period as a result of the decrease in production volume which could not be compensated by the headcount reduction.

4.6. Profitability

<table>
<thead>
<tr>
<th>Profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
</tr>
<tr>
<td>Index</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

The profitability of the Union industry decreased by more than 106% over the period considered as a consequence of the economic downturn and the disappearance of the CRT-screen application which both affected sales volumes and costs of production. The industry was continually loss-making throughout the period considered.
4.7. Investments, return on investments and ability to raise capital

Table 9

Investments and return on investments

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment (index)</td>
<td>100</td>
<td>82</td>
<td>90</td>
<td>97</td>
</tr>
<tr>
<td>Return on investment (index)</td>
<td>– 100</td>
<td>– 251</td>
<td>– 506</td>
<td>– 176</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

(60) Investments remained stable during the period considered. Investments made by the Union industry were expensed in the year when they were made. Return on investment (profit expressed as a percentage of investments per year) developed negatively over the period considered in line with profitability.

(61) The investigation did not bring to light any evidence that the Union industry had any major problems in raising capital. It should however be noted that the investments made in the period considered were not significant.

4.8. Cash flow

Table 10

Cash flow

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>– 100</td>
<td>– 83</td>
<td>25</td>
<td>32</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

(62) Cash flow improved significantly over the period considered as a consequence of the reduction in inventory volumes.

4.9. Magnitude of the dumping margin

(63) During the RIP, despite the measures in force substantial dumping continued at even higher levels than those established in the original investigation, based both on the data obtained from the cooperating exporting producers and Eurostat.

4.10. Recovery from the effects of past dumping

(64) The Union industry, in a negative economic context explained by the general economic downturn and the disappearance of one important application, did not recover from past dumping, in particular in terms of sales volume, sales price and profitability. It was found moreover that dumping continued in the RIP.

4.11. Export activity of the Union industry

Table 11

Export volume of the Union industry

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>RIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index</td>
<td>100</td>
<td>86</td>
<td>45</td>
<td>66</td>
</tr>
</tbody>
</table>

Source: Verified questionnaire replies of the Union industry.

(65) Union industry exports of barium carbonate decreased by 34% over the period considered. The Union industry could only export limited volumes given the severe competition from Chinese exports on non-Union markets. The decrease in export volumes over the period considered is also explained by the economic downturn.

4.12. Conclusion on the situation of the Union industry

(66) While all main injury indicators, such as sales volume, profitability, production, employment and productivity showed negative developments during the period considered, the anti-dumping measures had a softening impact on the situation of the Union industry.

(67) As far as the market share of the Union industry is concerned, the slight decreasing trend shows that, despite existing measures and while market consumption decreased, Chinese imports not only excluded other countries from the market but also gained market share at the expense of the Union industry.

(68) In conclusion, in view of the negative development of the indicators pertaining to the Union industry, it is considered that the Union industry continued to suffer material injury during the period concerned. It was therefore examined whether there was a likelihood of continuation of injury should measures be allowed to lapse.

G. LIKELIHOOD OF CONTINUATION OF INJURY

1. Summary of the analysis of the likelihood of the continuation of dumping and the recurrence of injurious dumping

(69) It is recalled that consumption on the Union market decreased significantly since the original investigation due to the disappearance of the CRT and to the economic downturn. In these circumstances, the market share of Chinese imports has increased by more than
15% while the market share of the Union industry and third country imports decreased significantly. This demonstrates that, despite the measures in force and the decreasing Union consumption, the Chinese exporting producers showed a continuous interest in the Union market and were able to exclude third countries from the Union market.

(70) It is also recalled that the exporting producers in the PRC continued to dump and undercut Union industry prices at very significant levels in the RIP. Based on this, there is no reason to believe that the Chinese exporting producers will not continue to dump and undercut Union industry prices in the future.

(71) The investigation showed that the Chinese exporting producers had significant spare capacities during the RIP, i.e. around 280,000 tonnes. This represents more than three times the size of the Union market in the RIP. Despite the expected increase in demand in the PRC, overcapacity is expected to persist and remain very significant in the coming years.

(72) The Union market is the main export destination for the PRC. Other major export markets such as the USA and India, have high anti-dumping measures in place against barium carbonate originating in the PRC. These markets are therefore practically inaccessible to Chinese exports. In view of the Chinese exporting producers’ interest in the Union market, it is expected that, if measures were repealed, a significant volume of exports would flood into the Union market, with a strong overall depressing effect on prices.

2. Conclusion on likelihood of continuation of injury

(73) On the basis of the above, it is considered that if measures were repealed, there would be a likelihood of a significant increase in dumped imports from the PRC to the Union, with downward pressure on prices. Such a situation would likely lead to the disappearance of the Union industry in the medium term as, on the one hand, the reduced sales volumes would not allow the Union industry to dilute fixed costs sufficiently and, on the other hand, it would not be able to reach sufficient price levels. The continuation of injury was magnified in the period considered by the economic downturn and by the disappearance of an important application.

3. Post RIP developments

(74) Although PRC import prices increased by 17.8% from the end of the RIP to February 2011 while Union industry selling prices increased by only around 7% in the same period, PRC imports were still undercutting Union prices by more than 15% after the RIP.

H. UNION INTEREST

1. Preliminary remark

(75) In accordance with Article 21 of the basic Regulation it was examined whether the continuation of the existing anti-dumping measures would be against the interest of the Union as a whole. The determination of Union interest was based on an assessment of the various interests involved, i.e. those of the Union industry, importers and users of the product concerned.

(76) As the present investigation is an expiry review, it requires analysis of a situation in which anti-dumping measures have already been in place and the assessment of any undue negative impact on the parties concerned by the current anti-dumping measures.

(77) On this basis it was examined whether there were compelling reasons which would lead to the conclusion that it was not in the Union interest to maintain measures in this particular case, despite the above conclusions on the likelihood of continuation of dumping and the likelihood of continuation of injury.

2. Interests of the Union industry

(78) The investigation revealed that the Union industry was operating very cost-efficiently. Indeed, it reduced headcount and changed production models in order to adapt to the new market situation and ensure the sustainability of the plant where, as indicated in recital 53, barium carbonate and strontium carbonate are produced in alternating campaigns. Although the measures did not contribute to the recovery of the financial situation of the Union industry, they had a softening effect on its financial situation. Indeed, without the measures in place, it is likely that the Union market would have been flooded by low-priced imports originating in PRC and the Union industry would have had to close down.

(79) As mentioned above, the production model of the Union industry is based on two products that are interdependent; i.e. sufficient sales volumes for both products are necessary in order to dilute fixed costs. Should measures be allowed to lapse, the expected increased volume of dumped imports will lead to a substantial reduction of the barium carbonate activity, which, itself, will make the strontium carbonate activity less profitable, leading eventually to the dismantlement of the whole plant.

(1) Indian anti-dumping duties against Chinese barium carbonate range from 76.06 USD to 236 USD per ton; US anti-dumping duties against Chinese barium carbonate range from 34.4 to 81.3%.
(80) On the basis of the above, it was concluded that it is in the interest of the Union industry that measures against the dumped imports from the PRC be maintained.

3. Interests of unrelated importers

(81) The Commission sent questionnaires to all known unrelated importers. Replies were received from four unrelated importers. Two of these importers were active in the production of slurry, a solution composed of barium carbonate, additives and water, destined for the brick industry.

(82) Importers indicated that the imposition of anti-dumping duties had pushed prices upward at the time of imposition. In this regard, it should be noted that such difference was no longer noticeable as export prices to the Union when compared to average prices to all non-Union markets were found to be at similar levels as during the RIP (1).

(83) Importers also indicated that there was no shortage of barium carbonate on the Union market even though they were facing increasing difficulties to source barium carbonate from the PRC due to increased domestic demand. Import statistics do however not show any decrease in volume of exports of the product concerned to the Union during or after the RIP. This is also confirmed by the findings concerning overcapacity in recital 71.

(84) It was also found that the measures in force did not have any negative effects on the financial situation of the importers.

(85) On the basis of the above, it was concluded that the current measures in force had no substantial negative effect on their financial situation and that the continuation of the measures would not unduly affect the importers.

4. Interests of users

(86) The Commission sent questionnaires to all known users. Replies were received from nine users of the product concerned. As indicated in recital 16, the main industrial users of barium carbonate in the Union are active in the brick and tile industry, the ceramics sector and in the production of ferrite.

(87) One user has submitted that the existence or continuation of the measures would not be in the interest of users, however it did not substantiate its claim. None of the other users replying to the questionnaire indicated that the measures had a significant impact on their businesses and that they should be lifted.

5. Conclusion on Union interest

(88) Given the above, it is concluded that there are no compelling reasons against the prolongation of the anti-dumping measures in force.

(1) Source: Chinese export statistics.

I. ANTI-DUMPING MEASURES

(89) All parties were informed of the essential facts and considerations on the basis of which it was intended to recommend that the measures be maintained. They were also granted a period to submit comments and claims subsequent to disclosure. No comments were received following disclosure.

(90) It follows from the above that, as provided for under Article 11(2) of the basic Regulation, the anti-dumping measures applicable to imports of barium carbonate originating in PRC, imposed by Regulation (EC) No 1175/2005 should be maintained,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of barium carbonate with a strontium content of more than 0.07 % by weight and a sulphur content of more than 0.0015 % by weight, whether in powder, pressed granular or calcined granular form, currently falling within CN code ex 2836 60 00 (TARIC code 2836 60 00 10), originating in the People’s Republic of China.

2. The amount of the definitive anti-dumping duty shall be equal to a fixed amount as specified below for products produced by the following manufacturers:

<table>
<thead>
<tr>
<th>Company</th>
<th>Rate of duty (EUR/t)</th>
<th>TARIC additional code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hubei Jingshan Chutian Barium Salt Corp. Ltd, 62, Qinglong Road, Songhe Town, Jingshan County, Hubei Province, PRC</td>
<td>6.3</td>
<td>A606</td>
</tr>
<tr>
<td>Zaozhuang Yongli Chemical Co. Ltd, South Zhuzibukuang Qichun, Zaozhuang City Center District, Shandong Province, PRC</td>
<td>8.1</td>
<td>A607</td>
</tr>
<tr>
<td>All other companies</td>
<td>56.4</td>
<td>A999</td>
</tr>
</tbody>
</table>

3. In cases where the goods have been damaged before entry into free circulation and, therefore, the price actually paid or payable is apportioned for the determination of the customs value pursuant to Article 145 of 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 (2), the amount of the anti-dumping duty, calculated on the basis of the fixed amounts set above, shall be reduced by a percentage which corresponds to the apportioning of the price actually paid or payable.

4. Unless otherwise specified, the provisions in force concerning customs duties shall apply.

**Article 2**

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Union* and shall be in force for a period of 5 years.

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

Done at Brussels, 16 August 2011.

*For the Council*

*The President*

M. DOWGIELEWICZ