

**Notice of initiation of a review of the extension of the antidumping duty imposed on imports of bicycles originating in the People's Republic of China to imports of certain bicycle parts from the People's Republic of China**

(2006/C 289/04)

The Commission has at its disposal sufficient evidence to initiate a review pursuant to Article 13(4) and 11(3) of Council Regulation (EC) No 384/96 on protection against dumped imports from countries not members of the European Community ('the basic Regulation')<sup>(1)</sup>, as last amended by Council Regulation (EC) No 2117/2005<sup>(2)</sup>.

### 1. Product

The product under review is essential bicycle parts:

- painted or anodized or polished and/or lacquered bicycle frames, currently classifiable within CN code ex 8714 91 10,
- painted or anodized or polished and/or lacquered bicycle front forks, currently classifiable within CN code ex 8714 91 30,
- derailleur gears, currently classifiable within CN code 8714 99 50,
- crank-gear, currently classifiable within CN code 8714 96 30,
- free-wheel sprocket-wheels, currently classifiable within CN code 8714 93 90, whether or not presented in sets,
- other brakes, currently classifiable within CN code 8714 94 30,
- brake levers, currently classifiable within CN code ex 8714 94 90, whether or not presented in sets,
- complete wheels with or without tubes, tyres and sprockets, currently classifiable within CN code ex 8714 99 90, and
- handlebars, currently classifiable within CN code 8714 99 10, whether or not presented with a stem, brake and/or gear levers attached,

originating in the People's Republic of China ('the product concerned'). The above mentioned CN codes are only given for information.

### 2. Existing measures

The measures currently in force are a definitive anti-dumping duty imposed by Regulation (EEC) No 2474/93<sup>(3)</sup> and maintained by Regulation (EC) 1524/2000<sup>(4)</sup> on imports of bicycles originating in the People's Republic of China ('PRC'), as extended by Council Regulation (EC) No 71/97<sup>(5)</sup> to imports of certain bicycle parts from the PRC.

The extension of the measures to imports of certain bicycle parts from the PRC resulted from an investigation into the

alleged circumvention of the anti-dumping duties imposed by Regulation (EEC) No 2474/93 through the assembly of bicycles, using bicycle parts originating in the PRC, in the Community. The investigation found that circumvention was taking place and the measures imposed on imports of bicycles from the PRC were extended to imports of parts from that country ('the extended measures').

### 3. Grounds for the review

Since the extension of the measures to imports of certain bicycle parts, the Commission has granted requests for exemption from the extended measures to a large number of companies based in the Community. The Commission has continued to receive requests for an exemption from the extended measures and the current number of parties requesting an exemption is significant. At the same time there are no apparent indications of circumvention practices by companies having been granted an exemption.

Furthermore, the Commission has at its disposal sufficient *prima facie* evidence that if the extension of the measures on imports of bicycles to imports of certain bicycle parts was removed, there would be no continuation or recurrence of circumvention practices.

### 4. Procedure

Having determined, after consulting the Advisory Committee, that sufficient evidence exists to justify the initiation of a review of the extension of the measures to imports of certain bicycle parts, the Commission hereby initiates a review in accordance with Article 13(4) and 11(3) of the basic Regulation.

The investigation will assess the need for the continuation of the extension of the anti-dumping duty imposed on bicycles originating in the PRC to imports of certain bicycle parts from the PRC.

#### (a) Sampling

##### (i) Sampling for Community producers/assemblers of bicycles

In view of the apparent large number of parties involved in this review investigation, the Commission may decide to apply sampling in accordance with Article 17 of the basic Regulation.

<sup>(1)</sup> OJ L 56, 6.3.1996, p. 1.

<sup>(2)</sup> OJ L 340, 23.12.2005, p. 17.

<sup>(3)</sup> OJ L 228, 9.9.1993, p. 1.

<sup>(4)</sup> OJ L 175, 14.7.2000, p. 39. Regulation as amended by Council Regulation (EC) No 1095/2005 (OJ L 183, 14.7.2005, p. 1).

<sup>(5)</sup> OJ L 16, 18.1.1997, p. 55

In order to enable the Commission to select a sample, all Community producers/assemblers <sup>(1)</sup> of bicycles are hereby requested to provide the following information on their company or companies within the time limit set in point 5(b)(i):

- name, address, e-mail address, telephone and fax numbers and contact person,
- the total turnover in EUR of the company for the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,
- the turnover in EUR of the company for sales of all bicycles on the Community market for the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,
- the turnover in EUR of the company for sales of bicycles assembled in-house in the Community and sold on the Community market for the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,
- the turnover in EUR of the company for sales of bicycle parts on the Community market for the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,
- the volume in units of all bicycles sold on the Community market during the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,
- the volume in units of bicycles assembled in-house in the Community during the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,
- the total cost in EUR of bicycle parts produced by the company during the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,
- the total value in EUR of bicycle parts of Chinese origin imported or purchased by the company during the calendar years 2003, 2004, 2005, and for the period from 1st October 2005 to 30 September 2006,
- the total value in EUR of bicycle parts of non-Chinese origin imported or purchased by the company during the calendar years 2003, 2004, 2005 and for the period from 1st October 2005 to 30 September 2006,

- the volume of units of essential bicycle parts as listed in section 1 used in the assembly operations of the company during the calendar years 2003, 2004, 2005, and for the period from 1st October 2005 to 30 September 2006,
- the total direct manufacturing costs in EUR for the bicycles produced/assembled (direct labour and manufacturing overheads) by the company during the calendar years 2003, 2004, 2005, and for the period from 1st October 2005 to 30 September 2006,
- the names and the precise activities of all related companies <sup>(2)</sup> involved in the production and/or selling of bicycles and of the product concerned,
- any other relevant information that would assist the Commission in the selection of the sample,
- by providing the above information, the company agrees to its possible inclusion in the sample. If the company is chosen to be part of the sample, this will imply replying to a questionnaire and accepting an on-the-spot investigation of its response. If the company indicates that it does not agree to its possible inclusion in the sample, it will be deemed to not have co-operated in the investigation. The consequences of non-cooperation are set out in point 7 below.

(ii) Final selection of the sample

All interested parties wishing to submit any relevant information regarding the selection of the sample must do so within the time limit set in point 5(b)(ii).

The Commission intends to make the final selection of the sample after having consulted the parties concerned that have expressed their willingness to be included in the sample.

Companies included in the sample must reply to a questionnaire within the time limit set in point 5(b)(iii) and must cooperate within the framework of the investigation.

If sufficient co-operation is not forthcoming, the Commission may base its findings, in accordance with Articles 17(4) and 18 of the basic Regulation, on the facts available. A finding based on facts available may be less advantageous to the party concerned, as explained in point 7.

<sup>(1)</sup> All parties that have been exempted pursuant to Commission Regulation (EC) No 88/97 of 20 January 1997 (OJ L 17 of 21.1.1997, p. 17) as well as parties under examination pursuant to the same Regulation, are required to provide this information.

<sup>(2)</sup> For guidance on the meaning of related companies, please refer to Article 143 of Commission Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (OJ L 253, 11.10.1993, p.1).

## (b) Questionnaires

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the sampled Community producers/assemblers of bicycles in the Community. This information and supporting evidence should reach the Commission within the time limit set in point 5(b)(iii).

## (c) Collection of information and holding of hearings

All interested parties are hereby invited to make their views known, submit information other than questionnaire replies and to provide supporting evidence. This information and supporting evidence must reach the Commission within the time limit set in point 5(a)(i).

Furthermore, the Commission may hear interested parties, provided that they make a request showing that there are particular reasons why they should be heard. This request must be made within the time limit set in point 5(a)(ii).

**5. Time limits**

## (a) General time limits

- (i) For parties to make themselves known, to submit questionnaire replies and any other information

All interested parties, if their representations are to be taken into account during the investigation, must make themselves known by contacting the Commission, present their views and submit questionnaire replies or any other information within 40 days of the date of publication of this notice in the *Official Journal of the European Union*, unless otherwise specified. Attention is drawn to the fact that the exercise of most procedural rights set out in the basic Regulation depends on the party's making itself known within the aforementioned period.

Companies selected in a sample must submit questionnaire replies within the time limits specified in point 6(b)(iii).

## (ii) Hearings

All interested parties may also apply to be heard by the Commission within the same 40-day time limit.

## (b) Specific time limit in respect of sampling

- (i) The information specified in point 4(a)(i) should reach the Commission within 15 days of the date of publication of this notice in the *Official Journal of the European Union*, given that the Commission intends to consult parties concerned that have expressed their willingness to be included in the sample on its final selection within a period of 21 days of the publication of this notice in the *Official Journal of the European Union*.
- (ii) All other information relevant for the selection of the sample as referred to in 4(a)(ii) must reach the Commission within a period of 21 days of the publication of this notice in the *Official Journal of the European Union*.
- (iii) The questionnaire replies from sampled parties must reach the Commission within 37 days from the date of the notification of their inclusion in the sample.

**6. Written submissions, questionnaire replies and correspondence**

All submissions and requests made by interested parties must be made in writing (not in electronic format, unless otherwise specified) and must indicate the name, address, e-mail address, telephone and fax numbers of the interested party. All written submissions, including the information requested in this notice, questionnaire replies and correspondence provided by interested parties on a confidential basis shall be labelled as 'Limited' <sup>(1)</sup> and, in accordance with Article 19(2) of the basic Regulation, shall be accompanied by a non-confidential version, which will be labelled 'FOR INSPECTION BY INTERESTED PARTIES'.

Commission address for correspondence:

European Commission  
Directorate General for Trade  
Directorate B  
Office: J-79 — 5/16  
B-1049 Brussels  
Fax (32-2) 295 65 05

**7. Non-co-operation**

In cases in which any interested party refuses access to or does not provide the necessary information within the time limits, or significantly impedes the investigation, findings, affirmative or negative, may be made in accordance with Article 18 of the basic Regulation, on the basis of the facts available.

<sup>(1)</sup> This means that the document is for internal use only. It is protected pursuant to Article 4 of Regulation (EC) No 1049/2001 of the European Parliament and of the Council regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43). It is a confidential document pursuant to Article 19 of the basic Regulation and Article 6 of the WTO Agreement on Implementation of Article VI of the GATT 1994 (Anti-dumping Agreement).

In cases in which exempted parties or parties under examination do not provide the information requested in points 4(a)(i) and, as appropriate, 5(a)(i) above within the time limits, the provisions of Article 10 of Commission Regulation (EC) No 88/97 of 20 January 1997 <sup>(1)</sup> regarding the revocation of an exemption and the provisions of Article 7(4) of the same Regulation may apply to them respectively.

Where it is found that any interested party has supplied false or misleading information, the information shall be disregarded and use may be made, in accordance with Article 18 of the basic Regulation, of the facts available. If an interested party

does not cooperate or cooperates only partially, and use of facts available is made, the result may be less favorable to that party than if it had cooperated.

#### **8. Schedule of the investigation**

The investigation will be concluded, according to Article 11(5) of the basic Regulation within 15 months of the date of the publication of this notice in the *Official Journal of the European Union*.

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<sup>(1)</sup> OJ L 17, 21.1.1997, p. 17.