

Notice of initiation of an expiry review of the anti-dumping measures applicable to imports of certain seamless pipes and tubes of iron or steel originating in Croatia, Russia and Ukraine

(2011/C 187/10)

Following the publication of a notice of impending expiry ⁽¹⁾ of the anti-dumping measures in force on imports of certain seamless pipes and tubes originating in Croatia, Russia and Ukraine ('countries concerned'), the European Commission ('the Commission') has received a request for review pursuant to Article 11(2) of Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community ⁽²⁾ ('the basic Regulation').

1. Request for review

The request was lodged on 29 March 2011 by the Defence Committee of the Seamless Steel Tubes Industry of the European Union ('the applicant') on behalf of producers representing a major proportion, in this case more than 50 %, of the Union production of certain seamless pipes and tubes.

2. Product

The product under review is certain seamless pipes and tubes of iron or steel, of circular cross-section, of an external diameter not exceeding 406,4 mm with a Carbon Equivalent Value (CEV) not exceeding 0,86 according to the International Institute of Welding (IIW) formula and chemical analysis ⁽³⁾, originating in Croatia, Russia and Ukraine ('the product concerned'), currently falling within CN codes ex 7304 11 00, ex 7304 19 10, ex 7304 19 30, ex 7304 22 00, ex 7304 23 00, ex 7304 24 00, ex 7304 29 10, ex 7304 29 30, ex 7304 31 80, ex 7304 39 58, ex 7304 39 92, ex 7304 39 93, ex 7304 51 89, ex 7304 59 92 and ex 7304 59 93 ⁽⁴⁾.

3. Existing measures

The measures currently in force are a definitive anti-dumping duty imposed by Regulation (EC) No 954/2006 ⁽⁵⁾ as last amended by Regulation (EC) No 812/2008 ⁽⁶⁾.

4. Grounds for the review

The request is based on the grounds that the expiry of the measures would be likely to result in continuation or recurrence of dumping and injury to the Union industry.

⁽¹⁾ OJ C 348, 21.12.2010, p. 16.

⁽²⁾ OJ L 343, 22.12.2009, p. 51.

⁽³⁾ The CEV shall be determined in accordance with Technical Report, 1967, IIW doc. IX-555-67, published by the International Institute of Welding (IIW).

⁽⁴⁾ As presently defined in Commission Regulation (EU) No 861/2010 of 5 October 2010 amending Annex I to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 284, 29.10.2010, p. 1). The product coverage is determined in combining the product description in Article 1(1) of Council Regulation (EC) No 954/2006 (OJ L 175, 29.6.2006, p. 4) and the product description of the corresponding CN codes taken together.

⁽⁵⁾ OJ L 175, 29.6.2006, p. 4.

⁽⁶⁾ OJ L 220, 15.8.2008, p. 1.

In demonstrating the likelihood of recurrence of dumping for Croatia and Russia, export prices to the EU together with export prices to another third country, the United States of America, have been used by the applicant given the current absence of representative import volumes from Croatia and Russia to the EU. These export prices were compared with a constructed normal value for Croatia and domestic prices for Russia. On this basis, the applicant alleges that there is a likelihood of recurrence of dumping for Croatia and Russia.

The allegation of likelihood of continuation of dumping in respect of Ukraine is based on a comparison of normal value, established on the basis of domestic prices, with the export prices of the product concerned when sold for export to the Union. On this basis, the dumping margin calculated for Ukraine is significant.

In respect of Ukraine, the applicant also alleges that imports of the product concerned from this country have continued to cause injury to the Union industry due to their low prices. The *prima facie* evidence provided by the applicant shows that the volumes and the prices of the imported product concerned have continued, among other consequences, to have a negative impact on the market share held and the quantities sold by the Union industry, resulting in substantial adverse effects on the overall performance, the financial situation and the employment situation of the Union industry.

The applicant further alleges the likelihood of continuation or recurrence of injurious dumping for all countries concerned. In this respect the applicant presents evidence that, should measures be allowed to lapse, the current import level of the product concerned is likely to increase due to the existence of unused capacity in the countries concerned.

In addition, the applicant alleges that the already fragile situation of the Union industry would further deteriorate if measures were allowed to lapse and that any recurrence of substantial imports at dumped prices from the countries concerned would likely lead to a recurrence of further injury of the Union industry.

5. Procedure

Having determined, after consulting the Advisory Committee, that sufficient evidence exists to justify the initiation of an expiry review, the Commission hereby initiates a review in accordance with Article 11(2) of the basic Regulation.

5.1. Procedure for the determination of likelihood of dumping and injury

The investigation will determine whether the expiry of the measures would be likely, or unlikely, to lead to a continuation or recurrence of dumping and a continuation or recurrence of injury.

(a) Sampling

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

(i) Sampling for exporters/producers in Russia and Ukraine

In order to enable the Commission to decide whether sampling is necessary and, if so, to select a sample, all exporters/producers in Russia and Ukraine, or representatives acting on their behalf, are hereby requested to make themselves known by contacting the Commission and providing the following information on their company or companies within the time limit set in point 6(b)(i) and in the formats indicated in point 7:

- name, address, e-mail address, telephone, and fax numbers, and contact person,
- the turnover in local currency and the volume in tonnes of the product concerned sold for export to the Union during the period 1 April 2010 to 31 March 2011 for each of the 27 Member States ⁽⁷⁾ separately and in total,
- the turnover in local currency and the volume in tonnes of the product concerned sold on the domestic market during the period 1 April 2010 to 31 March 2011,
- the turnover in local currency and the volume in tonnes of the product concerned sold to other third countries during the period 1 April 2010 to 31 March 2011,
- the precise activities of the company worldwide with regard to the product concerned,

- the names and the precise activities of all related companies ⁽⁸⁾ involved in the production and/or sales (export and/or domestic) 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 not to have cooperated in the investigation. The consequences of non-cooperation are set out in point 8 below.

In order to obtain the information it deems necessary for the selection of the sample of exporters/producers, the Commission will, in addition, contact the authorities of Russia and Ukraine, and any known associations of exporters/producers.

(ii) Sampling for importers

In order to enable the Commission to decide whether sampling is necessary and, if so, to select a sample, all importers, or representatives acting on their behalf, are hereby requested to make themselves known to the Commission and to provide the following information on their company or companies within the time limit set in point 6(b)(i) and in the formats indicated in point 7:

- name, address, e-mail address, telephone, and fax numbers and contact person,
- the precise activities of the company with regard to the product concerned,
- the volume in tones and value in euro of imports into and resales made on the Union market during the period 1 April 2010 to 31 March 2011 of the imported product concerned originating in Croatia, Russia and Ukraine,
- the names and the precise activities of all related companies ⁽⁹⁾ involved in the production and/or sales of the product concerned,
- any other relevant information that would assist the Commission in the selection of the sample.

⁽⁷⁾ The 27 Member States of the European Union are: Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.

⁽⁸⁾ 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).

⁽⁹⁾ See footnote 8.

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 not to have cooperated in the investigation. The consequences of non-cooperation are set out in point 8 below.

In order to obtain the information it deems necessary for the selection of the sample of importers, the Commission will, in addition, contact any known associations of importers.

(iii) Sampling for Union producers

In view of the potentially large number of Union producers involved in this proceeding and in order to complete the investigation within the set time limits, the Commission may limit to a reasonable number the Union producers that will be investigated by selecting a sample (this process is also referred to as 'sampling'). The sampling will be carried out in accordance with Article 17 of the basic Regulation.

The Commission has provisionally selected a sample of Union producers. Details can be found in the file for inspection by interested parties. Interested parties are hereby invited to consult the file (for this they should contact the Commission using the contact details provided in Section 7 below) and to comment on the appropriateness of this choice within 15 days of the date of publication of this notice in the *Official Journal of the European Union*.

All interested parties wishing to submit any relevant information regarding the selection of the sample must do so within 21 days of the publication of this notice in the *Official Journal of the European Union*, unless otherwise specified.

All known Union producers and associations of Union producers will be notified by the Commission of the companies finally selected to be in the sample.

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the sampled Union producers and to any known association of Union producers. These parties must submit a completed questionnaire within 37 days from the date of the notification of the sample selection, unless otherwise specified. The completed questionnaire will contain information on, inter alia, the structure of their company(ies), the financial situation of the company(ies), the activities of the

company(ies) in relation to the product under investigation, the cost of production and the sales of the product under investigation.

(iv) Final selection of the samples

All interested parties wishing to submit any relevant information regarding the selection of the samples for exporters/producers in Russia and Ukraine and importers must do so within the time limit set in point 6(b)(ii).

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

Companies included in the samples must reply to a questionnaire within the time limit set in point 6(b)(iii) and must cooperate within the framework of the investigation.

If sufficient cooperation 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 8.

(b) Questionnaires

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the sampled Union industry and to any known association of producers in the Union, to the known exporters/producers in Croatia, to the sampled exporters/producers in Russia and Ukraine, and to any known association of exporters/producers, to the sampled importers, to any known association of importers, and to the authorities of the countries concerned.

For exporters/producers in Croatia, all such interested parties should contact the Commission forthwith by fax, but not later than the time limit set out in paragraph 6(a)(i) of this notice, in order to find out whether they are listed in the complaint and, if necessary, request a questionnaire, given that the time limit set in paragraph 6(a)(ii) of this notice applies to all such interested parties.

(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 6(a)(ii).

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 6(a)(iii).

5.2. Procedure for the assessment of Union interest

In accordance with Article 21 of the basic Regulation and in the event that the likelihood of a continuation of dumping and continuation of injury is confirmed, a determination will be made as to whether maintaining the anti-dumping measures would not be against the Union interest. For this reason the Commission may send questionnaires to the known Union industry, importers, their representative associations, representative users and representative consumer organisations. Such parties, including those not known to the Commission, provided that they prove that there is an objective link between their activity and the product concerned, may, within the general time limits set in point 6(a)(ii), make themselves known and provide the Commission with information. The parties which have acted in conformity with the preceding sentence may request a hearing, setting out the particular reasons why they should be heard, within the time limit set in point 6(a)(iii). It should be noted that any information submitted pursuant to Article 21 of the basic Regulation will only be taken into account if supported by factual evidence at the time of submission.

6. Time limits

(a) General time limits

(i) For parties to request a questionnaire

All interested parties who did not cooperate in the investigation leading to the measures subject to the present review should request a questionnaire or other claim forms as soon as possible, but not later than 15 days after the publication of this notice in the *Official Journal of the European Union*.

(ii) 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 37 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 limit specified in point 6(b)(iii).

(iii) Hearings

All interested parties may also apply to be heard by the Commission within the same 37-day time limit.

(b) Specific time limit in respect of sampling

(i) The information specified in point 5.1(a)(i), 5.1(a)(ii) and 5.1(a)(iii) 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 5.1(a)(iv) 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, unless otherwise specified.

7. 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' ⁽¹⁰⁾ 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:

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8. Non-cooperation

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.

⁽¹⁰⁾ 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).

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 favourable to that party than if it had cooperated.

9. 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*.

10. Possibility to request a review under Article 11(3) of the basic Regulation

As this expiry review is initiated in accordance with the provisions of Article 11(2) of the basic Regulation, the findings thereof will not lead to the level of the existing measures being amended but will lead to those measures being repealed or maintained in accordance with Article 11(6) of the basic Regulation.

If any party to the proceeding considers that a review of the level of the measures is warranted so as to allow for the possibility to amend (i.e. increase or decrease) the level of the measures, that party may request a review in accordance with Article 11(3) of the basic Regulation.

Parties wishing to request such a review, which would be carried out independently of the expiry review mentioned in this notice, may contact the Commission at the address given above.

11. Processing of personal data

Please note that any personal data collected in this investigation will be treated in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data ⁽¹⁾.

12. Hearing Officer

It is also noted that if interested parties consider that they are encountering difficulties in the exercise of their rights of defence, they may request the intervention of the Hearing Officer of the Directorate-General for Trade. He acts as an interface between the interested parties and the Commission services, offering, where necessary, mediation on procedural matters affecting the protection of their interests in this proceeding, in particular with regard to issues concerning access to file, confidentiality, extension of time limits and the treatment of written and/or oral submission of views. For further information and contact details interested parties may consult the Hearing Officer's web pages of the website of the Directorate-General for Trade (<http://ec.europa.eu/trade>).

⁽¹⁾ OJ L 8, 12.1.2001, p. 1.