

V

(Announcements)

PROCEDURES RELATING TO THE IMPLEMENTATION OF THE COMMON
COMMERCIAL POLICY

EUROPEAN COMMISSION

**Notice of initiation of a partial interim review of the anti-dumping measures applicable to imports
of ceramic tiles originating in the People's Republic of China**

(2014/C 28/09)

1. Initiation of the review

The European Commission ('the Commission') has received a request for a partial interim review pursuant to Article 11(3) of 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'). The request was lodged by Foshan Gani Ceramic Co., Ltd and Qingyang Gani Ceramic Co., Ltd, exporting producers ('Gani Group' or 'the company concerned') from the People's Republic of China ('the country concerned').

The review is limited in scope to the examination of the ownership structure and if warranted, ex officio of the dumping margin as far as Gani Group is concerned.

In parallel, the Commission initiates ex officio a partial interim review pursuant to Article 11(3) of the Basic regulation with the same scope but as far as the allegedly former related companies of Gani Group — Dongguan City Wonderful Ceramics Industrial Park Co., Ltd and Guangdong Jiamei Ceramics Co., Ltd ('Wonderful Group' or 'the company concerned'), are concerned.

2. Product under review

The product subject to this review is glazed and unglazed ceramic flag and paving, hearth or wall tiles; glazed and unglazed ceramic mosaic cubes and the like, whether or not on a backing ('the product under review'), currently falling within CN codes 6907 10 00, 6907 90 20, 6907 90 80, 6908 10 00, 6908 90 11, 6908 90 20, 6908 90 31, 6908 90 51, 6908 90 91, 6908 90 93 and 6908 90 99.

3. Existing measures

The measures currently in force are a definitive anti-dumping duty imposed by Council Implementing Regulation (EU) No

917/2011⁽²⁾. Gani Group and Wonderful Group are subject to a single duty of 26,3 % as related parties.

4. Grounds for the review

The request is based on *prima facie* evidence provided by Gani Group, that, as far as Gani Group is concerned, the circumstances on the basis of which the existing measures were imposed have changed and that these changes are of a lasting nature.

It is alleged that the shareholding relationship between Gani Group and Wonderful Group has ceased. It allegedly follows that the continued imposition of the measures at the existing level which is the level of dumping previously established for the group of companies as a whole comprising both Gani Group and Wonderful Group, appears to no longer reflect the current situation in order to offset the effects of injurious dumping as previously established. Therefore, this alleged change of circumstances concerns Wonderful Group as well and it justifies the ex officio initiation of a review concerning Wonderful Group.

The cessation of the relationship of the two companies concerned allegedly has an economic impact on the functioning of the two companies concerned and therefore on their dumping margins. Therefore, if warranted, the dumping margins of the two companies concerned will be ex officio reviewed on an individual basis.

The change in the corporate structure had been communicated to the Commission following the disclosure of the provisional findings of the investigation to the parties (see recital 97 to Regulation (EU) No 917/2011).

⁽¹⁾ OJ L 343, 22.12.2009, p. 51.

⁽²⁾ OJ L 238, 15.9.2011, p. 1.

5. Procedure

Having determined, after consulting the Advisory Committee, that sufficient evidence exists to justify the initiation of a partial interim review limited to the examination of the ownership structure and if warranted, the dumping, as far as Gani Group and Wonderful Group are concerned, the Commission hereby initiates a review in accordance with Article 11(3) of the basic Regulation.

The investigation will also assess the need for the continuation, removal or amendment of the existing measures in respect of the two companies concerned.

5.1. Procedure for the determination of dumping

5.1.1. Investigating exporting producers

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the two companies concerned in the People's Republic of China.

The two companies concerned must submit the completed questionnaire within 37 days of the date of publication of this notice in the *Official Journal of the European Union*, unless otherwise specified.

The questionnaire will request information on, *inter alia*, the structure of the exporting producers' company(ies), the activities of the companies in relation to the product under review, the cost of production, the sales of the product under review on the domestic market of the country concerned and the sales of the product under review to the Union.

5.1.2. Additional procedure with regard to exporting producers in the non-market economy country concerned

5.1.2.1. Selection of a market economy third country

Subject to the provisions of section 5.1.2.2 below, in accordance with Article 2(7)(a) of the basic Regulation, in the case of imports from the People's Republic of China normal value will be determined on the basis of the price or constructed value in a market economy third country.

In the previous investigation the United States of America were used as a market economy third country for the purpose of establishing normal value in respect of the People's Republic of China. For the purpose of the current investigation, the Commission envisages using again the United States of America. Interested parties are hereby invited to comment on

the appropriateness of this choice within 10 days of the date of publication of this notice in the *Official Journal of the European Union*.

5.1.2.2. Treatment of exporting producers in the non-market economy country concerned

In accordance with Article 2(7)(b) of the basic Regulation, individual exporting producers in the non-market economy country concerned, which consider that market economy conditions prevail for them in respect of the manufacture and sale of the product under review, may submit a properly substantiated claim to this effect ('MET claim'). MET will be granted if the assessment of the MET claim shows that the criteria laid down in Article 2(7)(c) of the basic Regulation⁽¹⁾ are fulfilled. The dumping margin of the exporting producers granted MET will be calculated, to the extent possible and without prejudice to the use of facts available pursuant to Article 18 of the basic Regulation, by using their own normal value and export prices in accordance with Article 2(7)(b) of the basic Regulation.

The Commission will send MET claim forms to the two companies concerned. If they claim MET, they must submit the completed MET claim form within 21 days of the date of publication of this notice in the *Official Journal of the European Union*, unless otherwise specified.

5.2. Other written submissions

Subject to the provisions of this notice, all interested parties are hereby invited to make their views known, submit information and provide supporting evidence. Unless otherwise specified, this information and supporting evidence must reach the Commission within 37 days of the date of publication of this notice in the *Official Journal of the European Union*.

5.3. Possibility to be heard by the Commission investigation services

All interested parties may request to be heard by the Commission investigation services. Any request to be heard must be made in writing and must specify the reasons for the request. For hearings on issues pertaining to the initial stage of the investigation the request must be submitted within 15 days of the date of publication of this notice in the *Official Journal of the European Union*. Thereafter, a request to be heard must be submitted within the specific deadlines set by the Commission in its communication with the parties.

⁽¹⁾ The exporting producer(s) has/have to demonstrate in particular that: (i) business decisions and costs are made in response to market conditions and without significant State interference; (ii) firms have one clear set of basic accounting records which are independently audited in line with international accounting standards and are applied for all purposes; (iii) there are no significant distortions carried over from the former non-market economy system; (iv) bankruptcy and property laws guarantee legal certainty and stability and (v) exchange rate conversions are carried out at market rates.

5.4. *Instructions for making written submissions and sending completed questionnaires and correspondence*

All written submissions, including the information requested in this notice, completed questionnaires and correspondence provided by interested parties for which confidential treatment is requested shall be labelled 'Limited' ⁽¹⁾.

Interested parties providing 'Limited' information are required to furnish non-confidential summaries of it pursuant to Article 19(2) of the basic Regulation, which will be labelled 'For inspection by interested parties'. These summaries must be sufficiently detailed to permit a reasonable understanding of the substance of the information submitted in confidence. If an interested party providing confidential information does not furnish a non-confidential summary of it in the requested format and quality, such information may be disregarded.

Interested parties are required to make all submissions and requests in electronic format (non-confidential submissions via e-mail, confidential ones on CD-R/DVD), and must indicate their name, address, e-mail address, telephone and fax numbers. However, any powers of attorney, signed certifications, and any updates thereof, accompanying MET claim forms or questionnaire replies must be submitted on paper, i.e. by post or by hand, at the address below. For further information concerning correspondence with the Commission, interested parties may consult the relevant web page on the website of the Directorate-General for Trade: <http://ec.europa.eu/trade/tackling-unfair-trade/trade-defence>

Commission address for correspondence:

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Directorate-General for Trade
Directorate H
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Fax +32 22956505
E-mail: Trade-R586-Ceramic-Tiles@ec.europa.eu

6. **Non-cooperation**

In cases where 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 on the basis of facts available, in accordance with Article 18 of the basic Regulation.

⁽¹⁾ A 'Limited' document is a document which is considered confidential pursuant to Article 19 of Council Regulation (EC) No 1225/2009 (OJ L 343, 22.12.2009, p. 51) and Article 6 of the WTO Agreement on Implementation of Article VI of the GATT 1994 (Anti-Dumping Agreement). It is also a document protected pursuant to Article 4 of Regulation (EC) No 1049/2001 of the European Parliament and of the Council (OJ L 145, 31.5.2001, p. 43).

Where it is found that any interested party has supplied false or misleading information, the information may be disregarded and use may be made of facts available.

If an interested party does not cooperate or cooperates only partially and findings are therefore based on facts available in accordance with Article 18 of the basic Regulation, the result may be less favourable to that party than if it had cooperated.

Failure to give a computerised response shall not be deemed to constitute non-cooperation, provided that the interested party shows that presenting the response as requested would result in an unreasonable extra burden or unreasonable additional cost. The interested party should immediately contact the Commission.

7. **Hearing Officer**

Interested parties may request the intervention of the Hearing Officer for the Directorate-General for Trade. The Hearing Officer acts as an interface between the interested parties and the Commission investigation services. The Hearing Officer reviews requests for access to the file, disputes regarding the confidentiality of documents, requests for extension of time limits and requests by third parties to be heard. The Hearing Officer may organise a hearing with an individual interested party and mediate to ensure that the interested parties' rights of defence are being fully exercised.

A request for a hearing with the Hearing Officer should be made in writing and should specify the reasons for the request. For hearings on issues pertaining to the initial stage of the investigation the request must be submitted within 15 days of the date of publication of this notice in the *Official Journal of the European Union*. Thereafter, a request to be heard must be submitted within specific deadlines set by the Commission in its communication with the parties.

The Hearing Officer will also provide opportunities for a hearing involving parties to take place which would allow different views to be presented and rebuttal arguments offered on issues pertaining, among other things, to dumping.

For further information and contact details interested parties may consult the Hearing Officer's web pages on DG Trade's website: http://ec.europa.eu/commission_2010-2014/degucht/contact/hearing-officer/

8. **Schedule of the investigation**

The investigation will be concluded, pursuant 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*.

9. Processing of personal data

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⁾.

⁽¹⁾ OJ L 8, 12.1.2001, p. 1.