

COMMISSION DECISION

of 6 December 2006

terminating the anti-absorption reinvestigation concerning imports of hand pallet trucks and their essential parts originating in the People's Republic of China

(2006/886/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 384/96 of 22 December 1995 on protection against dumped imports from countries not members of the European Community (the 'basic Regulation')⁽¹⁾ and in particular Articles 9 and 12 thereof,

After consulting the Advisory Committee,

Whereas:

A. PROCEDURE**1. Original measures**

(1) In July 2005, the Council imposed by Regulation (EC) No 1174/2005⁽²⁾ a definitive anti-dumping duty ('the original measures') on imports of hand pallet trucks and their essential parts originating in the People's Republic of China ('PRC'). Individual anti-dumping duty rates ranging from 7,6 % to 39,9 % were imposed on co-operating exporting producers in the PRC. The rate applicable to imports from all other companies is 46,7 %.

2. Request for an anti-absorption reinvestigation

(2) On 15 February 2006, a request for a reinvestigation of the original measures was lodged pursuant to Article 12 of the basic Regulation. This request was submitted by four major Community producers of hand pallet trucks and essential parts thereof (BT Products AB, Franz Kahl GmbH, Bolzoni Auramo SpA and Pramac Lifter S.p.A) representing a major proportion, in this case more than 70 %, of the total Community production ('the applicants').

(3) The applicants submitted sufficient *prima facie* information showing that the anti-dumping duty imposed on hand pallet trucks and essential parts thereof originating in the PRC has not led to any movement or sufficient movement in resale prices or subsequent selling prices in the Community, suggesting an increase in dumping and thus impeding the intended remedial effects of the anti-dumping measures in force.

3. The anti-absorption reinvestigation

(4) On 31 March 2006, the Commission announced by a notice published in the *Official Journal of the European Union*⁽³⁾, the initiation of a reinvestigation of the original measures pursuant to Article 12 of the basic Regulation.

(5) The Commission officially advised the exporters/producers known to be concerned, the representatives of the exporting country, importers and users of the initiation of this reinvestigation. Interested parties were given 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. The Commission sent questionnaires to all parties known to be concerned.

(6) Two sufficiently complete questionnaire replies were received from Chinese exporting producers, i.e. from Ningbo Ruyi Joint Stock Co. Ltd. and from Zhejiang Noblelift Equipment Joint Stock Co. Ltd., both of which also co-operated in the original investigation. One other exporting producer, Yale Industrial Products Co. Ltd., only provided substantially incomplete information and was therefore, after having been duly informed, considered to be non co-operating in accordance with Article 18 of the basic Regulation. Two other exporting producers which co-operated in the original investigation did not provide any information in the present absorption reinvestigation, i.e. Ningbo Liftstar Material Transport Equipment Factory and Ningbo Tailong Machinery Co. Ltd.

(7) Furthermore, nine importers of hand pallet trucks and their essential parts made themselves known, of which five sufficiently co-operated in the present reinvestigation.

⁽¹⁾ OJ L 56, 6.3.1996, p. 1. Regulation as last amended by Regulation (EC) No 2117/2005 (OJ L 340, 23.12.2005, p. 17).

⁽²⁾ OJ L 189, 21.7.2005, p. 1.

⁽³⁾ OJ C 78, 31.3.2006, p. 24.

(8) The Commission sought and verified all the information deemed necessary for the purpose of this re-investigation. Verification visits were carried out at the premises of the following exporting producers in the PRC:

- Ningbo Ruyi Joint Stock Co. Ltd, Hangzhou and Ninghai, PRC;
- Zhejiang Noblelift Equipment Joint Stock Co. Ltd., Changxing, PRC.

(9) The investigation period of this re-investigation ('re-investigation IP') ran from 1 April 2005 to 31 March 2006. The re-investigation IP was used to determine the current level of export prices and the level of the prices delivered to the final customers in the Community. In establishing whether the export prices and the resale prices or subsequent selling prices in the Community had moved sufficiently, the price levels charged during the re-investigation IP were compared to those charged during the original investigation period ('original IP') which had covered the period from 1 April 2003 to 31 March 2004.

B. PRODUCT CONCERNED

(10) The product concerned by the present re-investigation is the same as in the original investigation, i.e. hand pallet trucks, not self propelled, used for the handling of materials normally placed on pallets, and their essential parts, i.e. chassis and hydraulics, originating in the PRC ('the product concerned'), normally classified within CN codes ex 8427 90 00 and ex 8431 20 00.

C. FINDINGS

(11) The purpose of this re-investigation was to establish whether or not since the imposition of the original measures (i) export prices had decreased or (ii) there had been no or insufficient movement in resale prices or subsequent selling prices in the Community of the product concerned.

(12) In accordance with Article 12 of the basic Regulation, importers/users and exporters/producers were provided with an opportunity to submit evidence to justify a decrease in export prices and/or lack of movement in

resale prices and subsequent selling prices in the Community, if any, following the imposition of the original measures for reasons other than absorption of the anti-dumping duty.

1. Decrease in export prices

(13) In the re-investigation IP sales of the product concerned were made both via related parties in the Community and in the PRC and directly to independent importers and/or distributors in the Community. Movements in export prices were assessed by comparing, per product type and for the same delivery conditions, the weighted average price observed in the re-investigation IP with that determined during the original IP.

(14) The comparison of prices of the two co-operating exporting producers in the re-investigation IP with those in the original IP showed no decrease in the average export price of the product concerned.

2. Movement of resale prices or subsequent selling prices in the Community

(15) The movement of resale prices in the Community at the level of importers and/or distributors was assessed by comparing, for similar product types, the average resale prices for the same delivery conditions, including the conventional duty plus the anti-dumping duty, of the original IP with those determined in the re-investigation IP. In this respect, five importers, accounting for a significant amount of imports of the product concerned into the Community during the re-investigation IP, co-operated and provided data.

(16) The comparison of their resale prices for these product types showed that prices had increased by amounts exceeding the anti-dumping duty. In this context, it is further noted that it was therefore not necessary to investigate in greater detail any decrease in profit margins of the co-operating importers during the re-investigation IP compared to the original IP, which in any event remained substantial during the re-investigation IP.

(17) Representative data with regard to subsequent selling prices were not available. However, given that resale prices of importers to unrelated customers were found to have shown sufficient movement since the imposition of anti-dumping measures, it was not unreasonable to conclude that the subsequent selling prices of these customers would also have shown sufficient movement.

3. Non co-operating companies

- (18) Since the two co-operating exporting producers in the present re-investigation exported in volume over 85 % of the product concerned to the Community during the re-investigation IP, thus constituting high co-operation, their findings were considered to be representative for the exporting country as a whole. Therefore, no recourse to facts available in the meaning of Article 18 of the basic Regulation concerning non co-operating exporting producers was made.

4. Conclusion

- (19) It was concluded as the result of the present re-investigation that absorption in the meaning of Article 12(2) of the basic Regulation of the measures in place could not be established for the co-operating exporting producers, since neither a decrease in export prices nor an insufficient movement in resale prices or subsequent selling prices for the product concerned was found.
- (20) The duty for the non-cooperating exporting producers should be left unchanged as well for the reasons set out in recital (18) above.

- (21) Consequently, the present absorption re-investigation should be terminated.

- (22) Interested parties were informed of the essential facts and considerations upon which it was intended to terminate this re-investigation, and were given the opportunity to comment. No substantive comments were received.

HAS DECIDED AS FOLLOWS:

Sole Article

The re-investigation pursuant to Article 12 of Regulation (EC) No 384/96 of the anti-dumping measures applicable to imports of hand pallet trucks and their essential parts originating in the People's Republic of China is hereby terminated.

Done at Brussels, 6 December 2006.

For the Commission
Peter MANDELSON
Member of the Commission
