

II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 18 July 2005

accepting an undertaking offered in connection with the anti-dumping proceeding concerning imports of polyester staple fibre originating, *inter alia*, in Saudi Arabia

(2005/613/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⁽¹⁾ (the basic Regulation), and in particular Articles 8 and 9 thereof,

After consulting the Advisory Committee,

Whereas:

A. PROCEDURE

(1) The Council, by Regulation (EC) No 428/2005⁽²⁾ (the definitive Regulation), imposed definitive anti-dumping duties on imports of polyester staple fibre (PSF) originating in the People's Republic of China and Saudi Arabia, amended the definitive anti-dumping duties in force on such imports originating in South Korea and terminated the anti-dumping proceeding in respect to such imports originating in Taiwan.

(2) Following disclosure of definitive findings, Saudi Basic Industries Corporation (Sabic) presented to the Commission services, within the deadlines stipulated, an

offer for price undertaking as well as a revised offer thereon, on its behalf and of all related companies, including the related producer of the product concerned Arabian Industrial Fibres Company (Ibn Rushd). This undertaking offer was not accepted due to the reasons set out in recital 292 of the definitive Regulation. In particular, the minimum prices originally offered by Sabic did not eliminate the injurious effect of dumping. In addition, the sales structure of this company in the Community was such that it did not allow an effective monitoring of the undertaking.

(3) Subsequent meetings between Sabic's representatives and the Commission services then resulted in substantial revisions to the undertaking offer that overcame the above problems. The revised offer not only eliminated the injurious effect of dumping but also limited to a satisfactory degree the risk of circumvention in the form of cross-compensation with other products. In addition, the company amended its channels of sale in the Community to the extent that it was considered possible for the Commission to effectively monitor the undertaking.

(4) The final acceptable offer of a price undertaking was made by Sabic prior to the publication of the definitive findings, but at such a late stage in the proceeding that it was administratively impossible to include its acceptance in the definitive Regulation.

(5) The Community industry was informed of this revised offer and maintained that acceptance of a price undertaking would allow such imports to continue to cause serious injury to European producers, due to the cyclical nature of polyester staple fibre pricing.

⁽¹⁾ OJ L 56, 6.3.1996, p. 1. Regulation as last amended by Regulation (EC) No 461/2004 (OJ L 77, 13.3.2004, p. 12).

⁽²⁾ OJ L 71, 17.3.2005, p. 1.

- (6) In this regard, it should be noted that the final offer made foresees the indexation of the minimum prices of PSF to public international quotations of its main raw materials, i.e. PTA and MEG. Consequently, the cyclical nature of PSF prices, which mainly reflects changes in the prices of its raw materials, is addressed in a way which reasonably eliminates the risk that the injurious dumping continues.
- (7) Finally, the undertaking offer foresees reporting also on products other than PSF sold to the same clients by Sabic related customers in the Community. Therefore, the risk of cross-compensation with other products is to a great extent eliminated.
- (8) Consequently, none of the arguments brought forward by the Community industry alters the Commission's conclusion that the undertaking offered by Sabic eliminates the injurious effect of dumping and limits to a sufficient degree the risk of circumvention in the form of cross-compensation with other products.

B. UNDERTAKING

- (9) In view of the foregoing, the Commission considers that the undertaking offered by Sabic, which includes an indexation of the minimum prices to public quotations of its main raw materials, can be accepted since it eliminates the injurious effects of dumping. Moreover, the regular and detailed reports which the company undertook to provide to the Commission will allow effective monitoring, and the risk of circumvention of the undertaking is limited,

HAS DECIDED AS FOLLOWS:

Article 1

The undertaking offered by the companies mentioned below, in connection with the anti-dumping proceeding concerning polyester staple fibres originating in the People's Republic of China and Saudi Arabia, is hereby accepted.

Country	Company	TARIC additional code
Saudi Arabia	Produced and sold by Arabian Industrial Fibres Company (Ibn Rushd), Yanbu Al-Sinaiyah, or produced by Arabian Industrial Fibres Company (Ibn Rushd), Yanbu Al-Sinaiyah, and sold by Saudi Basic Industries Corporation (Sabic), Riyadh, to the first customer in the Community acting as an importer	A671

Article 2

This Decision shall enter into force on the day following its publication in the *Official Journal of the European Union*.

Done at Brussels, 18 July 2005.

For the Commission
Peter MANDELSON
Member of the Commission