

II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 26 August 1983

accepting an undertaking given in connection with the anti-dumping proceeding concerning imports of caravans for camping and parts thereof originating in Yugoslavia and terminating that proceeding

(83/428/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3017/79 of 20 December 1979 on protection against dumped or subsidized imports from countries not members of the European Economic Community⁽¹⁾, as amended by Regulation (EEC) No 1580/82⁽²⁾, and in particular Article 10 thereof,

After consultations within the Advisory Committee as provided for under the above Regulation,

Whereas :

A. PROCEDURE

(1) In November 1982 the Commission received a complaint lodged by the European Caravan Federation on behalf of producers of caravans for camping whose collective output constitutes practically all Community production of the product in question. The complaint contained evidence of dumping and of material injury resulting therefrom, which was considered sufficient to justify the initiation of a proceeding. The Commission accordingly announced, by a notice published in

the *Official Journal of the European Communities*⁽³⁾, the initiation of an anti-dumping proceeding concerning imports into the Community of caravans for camping and parts thereof, falling within Common Customs Tariff subheadings ex 87.14 B II and ex 87.14 D and corresponding to NIMEXE codes 87.14-33 and ex 87.14-70, originating in Yugoslavia and commenced an investigation.

- (2) The Commission officially so advised the exporter and importers known to be concerned, the representatives of the exporting country and the complainants and gave the parties directly concerned the opportunity to make known their views in writing and to request a hearing.
- (3) The known Yugoslav producer and exporter, Industrija Motornih Vozil (IMV), Novo Mesto, whose subsidiaries in the Community import the product concerned, made its views known in writing and requested and was granted a hearing.
- (4) IMV requested an opportunity to meet the complainant for the purpose of presenting their opposing views. The Commission was prepared to grant this request but the European Caravan Federation refused to attend a meeting and it was not, therefore, possible to arrange a confrontation.
- (5) No submissions were made by or on behalf of Community purchasers of caravans for camping.

⁽¹⁾ OJ No L 339, 31. 12. 1979, p. 1.

⁽²⁾ OJ No L 178, 22. 6. 1982, p. 9.

⁽³⁾ OJ No C 89, 31. 3. 1983, p. 3.

- (6) The Commission sought and verified all information it deemed to be necessary for the purposes of a preliminary determination and carried out investigations at the premises of the following:

EEC producers

- Caravanes Georges et Jacques SA, Craonne, France,
- SIR Caravelair SA, Tournon, France,
- Gruau Caravanes SA, Tournon, France,
- Caravanes Sterckeman SA, Seclin, France,
- Chateau Caravans NV, Hamont, Belgium,
- Kip Caravans BV, Hoogeveen, The Netherlands,
- Eriba-Hymer GmbH, Bad Waldsee, Federal Republic of Germany,
- ABI Caravans Ltd, Beverly, United Kingdom,
- Cosalt Caravans Ltd, Grimsby, United Kingdom,
- Roller SpA, Calenzano, Italy;

Non-EEC producer/exporter

Industrija Motornih Vozil (IMV), Novo Mesto, Yugoslavia;

EEC importers

- IMV Adria-Caravan Belgium NV, Deinze, Belgium,
- IMV Adria Wohnwagen Vertriebs GmbH, Munich, Federal Republic of Germany,
- IMV Adria Caravan France, Paris, France,
- IMV Adria Caravan Nederland BV, Kesteren, The Netherlands.

- (7) The Commission requested and received detailed written submissions from complainant Community producers, the exporter and the importers and verified the information therein to the extent considered necessary.

- (8) The investigation of dumping covered the period 1 January to 31 December 1982.

Completed caravans for camping

B. NORMAL VALUE

- (9) Normal value for completed caravans was provisionally determined on the basis of the domestic prices of the producer who exported to the EEC and who provided sufficient evidence. These prices were considered to be representative of the domestic market concerned.

C. EXPORT PRICE

- (10) Since exports were made to subsidiary companies in the Community, export prices were constructed on the basis of the prices at which the imported product was first resold to an independent buyer, suitably adjusted to take account of all costs incurred between importation and resale including customs duty, and of a profit margin of 5 %, considered reasonable in the light of the profit margins of independent importers in European Community markets of caravans of European Community production.

D. COMPARISON

- (11) In comparing normal value with export prices the Commission took account, where appropriate, of differences affecting price comparability. These differences covered mainly the equipment of caravans for the domestic and export markets, the costs of the caravan sections of two domestic Yugoslav sales networks as compared to the sales networks operated by the Yugoslav importer in the different Community markets, the drawback of Yugoslav import duty on parts incorporated in exported caravans and varying delivery, payment and other contractual conditions, where claims in these areas could be satisfactorily demonstrated. All comparisons were made at ex-works level.

E. MARGINS

- (12) The above preliminary examination of the facts shows the existence of dumping in respect of Industrija Motornih Vozil (IMV), Novo Mesto, the margin of dumping being equal to the amount by which the normal value as established exceeds the price for export to the Community. These margins vary according to the importing Member State concerned, the weighted average margin exceeding 30 % in each case.

Parts of caravans for camping

F. NORMAL VALUE

- (13) In seeking to determine the normal value for parts of caravans for camping exported exclusively to an assembly plant in Belgium which is wholly owned by the Yugoslav exporter, the Commission had to take account of the fact that there are no sales of the like product on the domestic Yugoslav market. Since no exports were made to other markets the Commission, therefore, endeavoured to establish normal value on the basis of a constructed value for these parts. However, given the multitude of the exporter's industrial activities and the particular structure of its diverse produc-

tion units, it proved to be objectively impossible for the exporter to submit satisfactory evidence of the total costs of all materials and manufacture, including overheads, incurred in the production of the parts of caravans in question.

G. MARGIN

- (14) The Commission was given to understand that the pricing of the parts of caravans followed essentially the same financial costing and commercial patterns as for completed caravans. It is, therefore, at the present stage of the proceeding, not unreasonable to establish the same dumping margin for parts of caravans in the same way as that determined for completed caravans for camping exported to Belgium, adjusted for differences in transport costs and duty payments. The margin thus provisionally established exceeds 30 %.

H. INJURY

- (15) With regard to the injury caused by the dumped imports, the evidence available to the Commission shows that, for completed caravans only, imports into the Community from Yugoslavia increased from 9 997 units in 1979 to 12 041 units in 1981 and fell to 9 572 units in 1982, giving a market share of 4,9 % in 1979, 6,7 % in 1981 and 6,0 % in 1982. It should, however, be borne in mind that the Yugoslav exporter produces caravans in the Community with a substantial quantity of dumped parts imported from Yugoslavia. If the numbers of these caravans are taken together with the imports of completed caravans, the resultant market shares would be 9,2 % in 1979, 12,4 % in 1981 and 10,7 % in 1982.
- (16) Resale prices of imported completed caravans undercut the prices of the Community producers during the investigation period by up to 43 % according to model and market and after taking into account differences in technical specifications and sales conditions. The resale prices of these imports were lower than those required to cover the costs of Community producers and provide a reasonable profit. During the reference period, the sales prices of caravans of Community production incorporating dumped parts imported from Yugoslavia undercut the prices of the Community producers to the same extent. However, company developments within Industrija Motornih Vozil (IMV) towards the end of the reference period have resulted in a substantial reduction in the level of price undercutting which was confined to two Community markets and limited to 12 %.
- (17) The Community industry in respect of which the impact of the dumped imports must be assessed is the entire Community manufacturing industry producing rigid caravans for camping, excluding the exporter's subsidiary in Belgium.
- (18) The main features of the consequent impact of the dumped imports on the Community industry have been loss of market share resulting in a decline in production and, above all, price depression, financial losses and a reduction in employment.
- (19) The market share held by the Community industry decreased from 89,6 % in 1979 to 85,4 % in 1981 before increasing to 86,7 % in 1982. In order to meet competition from dumped Yugoslav imports, especially in the lower model ranges, and maintain their market share, a number of Community producers have forgone necessary price increases which would have allowed them to cover their costs and provide for a reasonable profit. Other Community producers have ceased manufacturing a complete lower model range of caravans because of their inability to compete with the low price levels of dumped Yugoslav imports. Sales on the Community market have decreased from about 203 000 units in 1979 to about 160 000 units in 1982 with a similar decrease in production, since stock figures have remained more or less constant. Employment figures verified by the Commission show a fall of about 25 % between 1979 and 1981. However, this figure does not take account of losses in employment suffered where, as was the case in all Member States, major producers went into liquidation. •
- (20) The Commission has considered whether injury has been caused by other factors such as the volume and prices of undumped imports or changes in demand. It has been established that total imports from all other countries have always held a market share of well below 3 %. Furthermore, consumption in the Community fell by about 12 % between 1979 and 1981 and 21 % between 1979 and 1982. It has, however, been established that this decline has affected the Community production more than it has affected the dumped imports. In fact, these increased by 20 % between 1979 and 1981 and fell by about 8 % between 1979 and 1982.

- (21) All these factors led the Commission to determine that the effects of the dumped imports of caravans for camping and parts thereof originating in Yugoslavia, taken in isolation, have to be considered as constituting material injury to the Community industry concerned.

I. COMMUNITY INTEREST

- (22) After having considered the interest of the Community and both the dumping and the injury provisionally established, the Commission has come to the conclusion that action should be taken.

J. UNDERTAKINGS

- (23) The exporter concerned was informed of the main findings of the preliminary investigation and commented on them. An undertaking was subsequently offered by the exporter, Industrija Motornih Vozil (IMV), Novo Mesto, concerning its exports of caravans for camping and parts thereof to the Community.
- (24) The effect of the said undertaking will be to increase resale prices in the Community to levels which the Commission, having taken into account, on the one hand, the selling prices necessary to provide an adequate return to Community producers and, on the other hand, the purchase prices of the Community importers and their costs and profit margins, considered necessary to eliminate injury. These increases in

no case exceed the dumping margins found in the investigation.

- (25) In these circumstances, the undertaking offered is considered acceptable and the proceeding may, therefore, be terminated without imposition of anti-dumping duties.

- (26) No objection to this course was raised in the Advisory Committee,

HAS DECIDED AS FOLLOWS:

Article 1

The Commission hereby accepts the undertaking given by Industrija Motornih Vozil (IMV) of Novo Mesto, Yugoslavia, in connection with the anti-dumping proceeding concerning imports of caravans for camping and parts thereof falling within Common Customs Tariff subheadings ex 87.14 B II and ex 87.14 D, corresponding to NIMEXE codes 87.14-33 and ex 87.14-70.

Article 2

The anti-dumping proceeding concerning imports of caravans for camping and parts thereof originating in Yugoslavia is hereby terminated.

Done at Brussels, 26 August 1983.

For the Commission

Étienne DAVIGNON

Vice-President