

COMMISSION IMPLEMENTING REGULATION (EU) 2017/272**of 16 February 2017**

initiating an investigation concerning the possible circumvention of anti-dumping measures imposed by Council Implementing Regulation (EU) No 1331/2011 on imports of certain seamless pipes and tubes of stainless steel originating in the People's Republic of China by imports consigned from India, whether declared as originating in India or not, and making such imports subject to registration

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union ⁽¹⁾ and in particular Articles 13(3) and 14(5) thereof,

After having informed the Member States,

Whereas:

A. REQUEST

- (1) The European Commission ('the Commission') has received a request pursuant to Articles 13(3) and 14(5) of Regulation (EU) 2016/1036 ('the basic Regulation') to investigate the possible circumvention of the anti-dumping measures imposed on certain seamless pipes and tubes of stainless steel originating in the People's Republic of China by imports consigned from India, whether declared as originating in India or not, and to make such imports subject to registration.
- (2) The request was lodged on 3 January 2017 by the Defence Committee of the Seamless Stainless Steel Tubes Industry of the European Union ('the applicant').

B. PRODUCT

- (3) The product concerned by the possible circumvention is certain seamless pipes and tubes of stainless steel ('SSSPT') (excluding such pipes and tubes with attached fittings suitable for conducting gases or liquids for use in civil aircraft). It is currently falling within CN codes 7304 11 00, 7304 22 00, 7304 24 00, ex 7304 41 00, 7304 49 10, ex 7304 49 93, ex 7304 49 95, ex 7304 49 99 and ex 7304 90 00, originating in the People's Republic of China ('the product concerned'). This is the product to which the measures that are currently in force apply.
- (4) The product under investigation is the same as that defined in the previous recital, but consigned from India, whether declared as originating in India or not, currently falling within the same CN codes as the product concerned ('the product under investigation').

C. EXISTING MEASURES

- (5) The measures currently in force and possibly being circumvented are anti-dumping measures imposed by Council Implementing Regulation (EU) No 1331/2011 ⁽²⁾ ('the existing measures').

D. GROUNDS

- (6) The request contains sufficient *prima facie* evidence that the anti-dumping measures imposed on the product concerned are being circumvented by imports of the product under investigation consigned from India.

⁽¹⁾ OJ L 176, 30.6.2016, p. 21.

⁽²⁾ Council Implementing Regulation (EU) No 1331/2011 of 14 December 2011 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain seamless pipes and tubes of stainless steel originating in the People's Republic of China (OJ L 336, 20.12.2011, p. 6).

- (7) The evidence submitted is as follows:
- (8) The request shows that a significant change in the pattern of trade involving exports from the People's Republic of China and India to the Union has taken place following the imposition of the measures, without sufficient due cause or economic justification for such a change other than the imposition of the duty.
- (9) This change appears to stem from the consignment of the product concerned via India to the Union, either after having undertaken completion operations or not. The applicant has provided sufficient *prima facie* evidence showing that the value added during the completion operation is lower than 25 % of the manufacturing cost.
- (10) Furthermore, the request contains sufficient *prima facie* evidence that the remedial effects of the existing anti-dumping measures on the product concerned are being undermined both in terms of quantity and price. Significant volumes of imports of the product under investigation appear to have replaced imports of the product concerned. In addition, there is sufficient *prima facie* evidence that imports of the product under investigation are made at prices below the non-injurious price established in the investigation that led to the existing measures.
- (11) Finally, the request contains sufficient *prima facie* evidence that the prices of the product under investigation are dumped in relation to the normal value previously established for the product concerned.
- (12) Should circumvention practices via India covered by Article 13 of the basic Regulation, other than transshipment and assembly operations be identified in the course of the investigation, the investigation may also cover these practices.

E. PROCEDURE

- (13) In light of the above, the Commission has concluded that sufficient evidence exists to justify the initiation of an investigation pursuant to Article 13(3) of the basic Regulation and to make imports of the products under investigation subject to registration, in accordance with Article 14(5) of the basic Regulation.

(a) Questionnaires

- (14) In order to obtain information it deems necessary for its investigation, the Commission will send questionnaires to the known exporters/producers in India and to the known associations of exporters/producers in the PRC, to the known importers and to the known associations of importers in the Union and to the authorities of India and the PRC. Information, as appropriate, may also be sought from the Union industry.
- (15) In any event, all interested parties should contact the Commission, but not later than the time-limit set in Article 3 of this Regulation, and request a questionnaire within the time-limit set in Article 3(1) of this Regulation, given that the time-limit set in Article 3(2) of this Regulation applies to all interested parties.
- (16) The authorities of India and the PRC will be notified of the initiation of the investigation.

(b) Collection of information and holding of hearings

- (17) All interested parties are invited to make their views known in writing and to provide supporting evidence. Furthermore, the Commission may hear interested parties, provided that they make a request in writing and show that there are particular reasons why they should be heard.

(c) Exemption from registration of imports or measures

- (18) In accordance with Article 13(4) of the basic Regulation, imports of the products under investigation may be exempted from registration or measures if the importation does not constitute circumvention.

- (19) Since the possible circumvention may take place outside the Union, exemptions may be granted, in accordance with Article 13(4) of the basic Regulation, to producers of the products under investigation in India that can show that they are not related ⁽¹⁾ to any producer subject to the measures ⁽²⁾ and that are found not to be engaged in circumvention practices as defined in Article 13(1) and (2) of the basic Regulation. Producers wishing to obtain an exemption should submit a request duly supported by evidence within the time-limit indicated in Article 3(3) of this Regulation.

F. REGISTRATION

- (20) Pursuant to Article 14(5) of the basic Regulation, imports of the products under investigation shall be made subject to registration in order to ensure that, should the investigation result in findings of circumvention, anti-dumping duties of an appropriate amount can be levied from the date on which registration of such imports was imposed.

G. TIME-LIMITS

- (21) In the interest of sound administration, time-limits should be stated within which:
- interested parties may make themselves known to the Commission, present their views in writing and submit questionnaire replies or any other information to be taken into account during the investigation,
 - producers in India may request exemption from registration of imports or measures,
 - interested parties may make a written request to be heard by the Commission.
- (22) 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 time-limits laid down in Article 3 of this Regulation.

H. NON-COOPERATION

- (23) 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.
- (24) Where it is found that any interested party has supplied false or misleading information, the information shall be disregarded and use may be made of facts available.
- (25) If an interested party does not cooperate or cooperates only partially and findings are therefore based on the 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.
- (26) 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.

⁽¹⁾ In accordance with Article 127 of Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 343, 29.12.2015, p. 558), two persons shall be deemed to be related if: (a) they are officers or directors of the other person's business; (b) they are legally recognised partners in business; (c) they are employer and employee; (d) a third party directly or indirectly owns, controls or holds 5 % or more of the outstanding voting stock or shares of both of them; (e) one of them directly or indirectly controls the other; (f) both of them are directly or indirectly controlled by a third person; (g) together they control a third person directly or indirectly; or (h) they are members of the same family. Persons shall be deemed to be members of the same family only if they stand in any of the following relationships to one another: (i) husband and wife, (ii) parent and child, (iii) brother and sister (whether by whole or half blood), (iv) grandparent and grandchild, (v) uncle or aunt and nephew or niece, (vi) parent-in-law and son-in-law or daughter-in-law, (vii) brother-in-law and sister-in-law. In this context 'person' means any natural or legal person.

⁽²⁾ However, even if producers are related in the aforementioned sense to companies subject to the measures in place on imports originating in the People's Republic of China, an exemption may still be granted if there is no evidence that the relationship with the companies subject to the original measures was established or used to circumvent the original measures.

I. SCHEDULE OF THE INVESTIGATION

- (27) The investigation will be concluded, pursuant to Article 13(3) of the basic Regulation, within nine months of the date the date of entry into force of this Regulation.

J. PROCESSING OF PERSONAL DATA

- (28) It is noted 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 ⁽¹⁾.

K. HEARING OFFICER

- (29) Interested parties may request the intervention of the Hearing Officer in trade proceedings. 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.
- (30) A request for a hearing with the Hearing Officer should be made in writing and should specify the reasons for the request. 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.
- (31) For further information and contact details interested parties may consult the Hearing Officer's web pages on the Directorate-General for Trade's website: <http://ec.europa.eu/trade/trade-policy-and-you/contacts/hearing-officer/>,

HAS ADOPTED THIS REGULATION:

Article 1

An investigation is initiated pursuant to Article 13(3) of Regulation (EU) 2016/1036, in order to determine if imports into the Union of certain seamless pipes and tubes of stainless steel currently falling within CN codes ex 7304 11 00, ex 7304 22 00, ex 7304 24 00, ex 7304 41 00, ex 7304 49 10, ex 7304 49 93, ex 7304 49 95, ex 7304 49 99 and ex 7304 90 00 consigned from India (TARIC codes: 7304 11 00 11, 7304 11 00 19, 7304 22 00 21, 7304 22 00 29, 7304 24 00 21, 7304 24 00 29, 7304 41 00 91, 7304 49 10 91, 7304 49 93 91, 7304 49 95 91, 7304 49 99 91 and 7304 90 00 91), whether declared as originating in India or not, are circumventing the measures imposed by Implementing Regulation (EU) No 1331/2011.

Article 2

The Customs authorities shall, pursuant to Articles 13(3) and 14(5) of Regulation (EU) 2016/1036, take the appropriate steps to register the imports into the Union identified in Article 1 of this Regulation.

Registration shall expire nine months following the date of entry into force of this Regulation.

The Commission, by regulation, may direct Customs authorities to cease registration in respect of imports into the Union of products manufactured by producers having applied for an exemption from registration and having been found to fulfil the conditions for an exemption to be granted.

Article 3

1. Questionnaires must be requested from the Commission within 15 days from the date of entry into force of this Regulation.

⁽¹⁾ Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 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 (OJ L 8, 12.1.2001, p. 1).

2. 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 in writing and submit questionnaire replies or any other information within 37 days from the date of entry into force of this Regulation, unless otherwise specified.
3. Producers in India requesting exemption from registration of imports or measures must submit a request duly supported by evidence within the same 37-day time-limit.
4. Interested parties may also apply to be heard by the Commission within the same 37-day time-limit.
5. Information submitted to the Commission for the purpose of trade defence investigations shall be free from copyrights. Interested parties, before submitting to the Commission information and/or data which is subject to third party copyrights, must request specific permission to the copyright holder explicitly allowing a) the Commission to use the information and data for the purpose of this trade defence proceeding and b) to provide the information and/or data to interested parties to this investigation in a form that allows them to exercise their right of defence.
6. All written submissions, including the information requested in this Regulation, completed questionnaires and correspondence provided by interested parties for which confidential treatment is requested shall be labelled 'Limited' ⁽¹⁾.
7. Interested parties providing 'Limited' information are required to furnish non- confidential summaries of it pursuant to Article 19(2) of Regulation (EU) 2016/1036, which will be labelled 'For inspection by interested parties'. These summaries should 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.
8. Interested parties are invited to make all submissions and requests by email including scanned powers of attorney and certification sheets, with the exception of voluminous replies which shall be submitted on a CD-ROM or DVD by hand or by registered mail. By using email, interested parties express their agreement with the rules applicable to electronic submissions contained in the document 'CORRESPONDENCE WITH THE EUROPEAN COMMISSION IN TRADE DEFENCE CASES' published on the website of the Directorate-General for Trade: http://trade.ec.europa.eu/doclib/docs/2011/june/tradoc_148003.pdf

The interested parties must indicate their name, address, telephone and a valid email address and they should ensure that the provided email address is a functioning official business email which is checked on a daily basis. Once contact details are provided, the Commission will communicate with interested parties by email only, unless they explicitly request to receive all documents from the Commission by another means of communication or unless the nature of the document to be sent requires the use of a registered mail. For further rules and information concerning correspondence with the Commission including principles that apply to submissions by email, interested parties should consult the communication instructions with interested parties referred to above.

Commission address for correspondence:

European Commission
Directorate-General for Trade
Directorate H
Office: CHAR 04/039
1049 Bruxelles/Brussel
BELGIQUE/BELGIË
Email: TRADE-R670-SSPT-CIRC@ec.europa.eu

Article 4

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

⁽¹⁾ A 'Limited' document is a document which is considered confidential pursuant to Article 19 of Regulation (EU) 2016/1036 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 of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43).

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 16 February 2017.

For the Commission

The President

Jean-Claude JUNCKER
