COMMISSION IMPLEMENTING REGULATION (EU) 2015/1559

of 18 September 2015

imposing a provisional anti-dumping duty on imports of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron), originating in India

THE EUROPEAN COMMISSION,

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

Having regard to Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community ('the basic Regulation') [1], and in particular Article 7(4) thereof,

After consulting the Member States,

Whereas:

1. PROCEDURE

1.1. Initiation

(1) On 20 December 2014, the European Commission ('the Commission') initiated an anti-dumping investigation with regard to imports into the Union of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) originating in India ('the country concerned') on the basis of Article 5 of the basic Regulation. It published a Notice of Initiation in the *Official Journal of the European Union* [2] ('the Notice of Initiation').

(2) The Commission initiated the investigation following a complaint lodged on 10 November 2014 by Saint-Gobain PAM Group, ('the complainant') on behalf of producers representing more than 25 % of the total Union production of tubes and pipes of ductile cast iron. The complaint contained evidence of dumping and of resulting material injury that was sufficient to justify the initiation of the investigation.

(3) On 11 March 2015, the Commission initiated an anti-subsidy investigation with regard to imports into the Union of tubes and pipes of ductile cast iron originating in India and commenced a separate investigation. It published a Notice of Initiation in the *Official Journal of the European Union* [3]. That investigation is still on-going.

1.2. Interested parties

(4) In the Notice of Initiation, the Commission invited interested parties to contact it in order to participate in the investigation. In particular, the Commission specifically informed the complainants, other known Union producers, the known exporting producers and the Indian authorities, known importers, suppliers and users, traders, as well as associations known to be concerned about the initiation of the investigation and invited them to participate.

(5) Interested parties had an opportunity to comment on the initiation of the investigation and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings. No interested party requested a hearing to comment on the initiation.

1.2.1. *Sampling*

(6) In the Notice of Initiation, the Commission stated that it might sample the interested parties in accordance with Article 17 of the basic Regulation.

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(1) OJ L 343, 22.12.2009, p. 51.
(2) Notice of initiation of an anti-dumping proceeding concerning imports of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron), originating in India (OJ C 461, 20.12.2014, p. 35).
(3) Notice of initiation of an anti-subsidy proceeding concerning imports of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron), originating in India (OJ C 83, 11.3.2015, p. 4).

Sampling of Union producers and importers

(7) No sampling of Union producers was necessary. There are only three companies or group of companies manufacturing the product concerned in the Union and two of them, representing around 96 % of the total Union production, cooperated with the investigation.

(8) As regards importers, to decide whether sampling is necessary and, if so, to select a sample, the Commission asked unrelated importers to provide the information specified in the Notice of Initiation. No unrelated importers made themselves known within the time limits set out in the notice of initiation.

Sampling of exporting producers in India

(9) To decide whether sampling is necessary and, if so, to select a sample, the Commission asked all exporting producers in India to provide the information specified in the Notice of Initiation. In addition, the Commission asked the Mission of the Republic of India to the European Union to identify and/or contact other exporting producers, if any, that could be interested in participating in the investigation.

(10) Two exporting producers in the country concerned provided the requested information and agreed to be included in the sample. They covered 100 % of the exports from India during the investigation period. Therefore, the Commission decided that sampling was not necessary.

1.2.2. *Replies to the questionnaire*

(11) The Commission sent questionnaires to the two Indian exporting producers that cooperated, to the three Union producers as well as to users that made themselves known within the time limits set out in the Notice of Initiation.

(12) Questionnaire replies were received from the two Indian exporting producers, from two Union producers and several dozen users.

1.2.3. *Verification visits*

(13) The Commission sought and verified all the information deemed necessary for a provisional determination of dumping, resulting injury and Union interest. Verification visits pursuant to Article 16 of the basic Regulation were carried out at the premises of the following companies:

Union producers

— SAINT-GOBAIN PAM, Pont-à-Mousson, France; SAINT-GOBAIN PAM ESPANA S.A., Madrid, Spain; SAINT-GOBAIN PAM Deutschland GmbH, Saarbrücken, Germany

— Duktus Rohrsysteme Wetzlar GmbH, Wetzlar, Germany

Related sales companies

— SAINT-GOBAIN PAM PORTUGAL S.A., Lisbon, Portugal

— SAINT-GOBAIN PAM ITALIA S.p.A., Milan, Italy

— SAINT-GOBAIN PAM UK, Stanton-by-Dale, the United Kingdom

— SGPS BELGIUM S.A., Landen, Belgium

Exporting producers in India

— Electrosteel Castings Ltd, Kolkata, India, and its related company Lanco Industries Limited (now known as Srikalahasthi Pipes Limited), Andhra Pradesh, India.

— Jindal Saw Limited, New Delhi, India

Related importers/traders

- Electrosteel Europe S.A., France, which has the following branches:
  - Electrosteel Europe S.A. Sucursal En Espana, Spain
  - Electrosteel Europe S.A. Succursale Italia, Italy
  - Electrosteel Europe S.A. Niederlassung Deutschland, Germany
- Electrosteel Castings (UK) Ltd, UK
- Electrosteel Trading S.A. (Spain)
- Jindal Saw Italia SPA, Italy
- Jindal Saw Pipeline Solutions Limited, UK

1.3. **Investigation period and period considered**

(14) The investigation of dumping and injury covered the period from 1 October 2013 to 30 September 2014 ('the investigation period' or 'IP'). The examination of trends relevant for the assessment of injury covered the period from 1 January 2011 to the end of the investigation period ('the period considered').

2. PRODUCT CONCERNED AND LIKE PRODUCT

2.1. **Product concerned**

(15) The product concerned is tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) ('ductile pipes') originating in India, currently falling within CN codes ex 7303 00 10 and ex 7303 00 90. These CN codes are given for information only.

(16) Ductile pipes are used for drinking water supply, sewage disposal and irrigation of agricultural land. The transportation of water through ductile pipes may be based on pressure or solely on gravity. The pipes range between 60 mm and 2 000 mm and are 5,5, 6,7 or 8 meters long. They are normally lined with cement or other materials and externally zinc-coated, painted or tape wrapped. The main final users are public utility companies.

2.2. **Like product**

(17) The investigation showed that the product manufactured and sold in India as well as the product manufactured and sold in the Union have the same basic physical, chemical and technical characteristics.

(18) The Commission decided at this stage that those products are therefore like products within the meaning of Article 1(4) of the basic Regulation.

3. DUMPING

3.1. **Normal value**

(19) The Commission first examined whether the total volume of domestic sales for each cooperating exporting producer was representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales are representative if the total domestic sales volume of the like product to independent customers on the domestic market per exporting producer represents at least 5 % of its total export sales volume of the product concerned to the Union during the investigation period. On this basis, the total sales by each exporting producer of the like product on the domestic market were representative.

(20) The Commission subsequently identified the product types sold domestically that were identical or comparable with the product types sold for export to the Union for the exporting producers with representative domestic sales.

(21) The Commission then examined whether the domestic sales by each cooperating exporting producer on its domestic market for each product type that is identical or comparable with a product type sold for export to the Union were representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales of a product type are representative if the total volume of domestic sales of that product type to independent customers during the investigation period represents at least 5 % of the total volume of export sales of the identical or comparable product type to the Union. On this basis, the Commission established that the domestic sales of some product types were not representative as they represented less than 5 % of the total volume of export sales of the identical or comparable product type to the Union.

(22) The Commission next defined the proportion of profitable sales to independent customers on the domestic market for each product type during the investigation period in order to decide whether to use actual domestic sales for the calculation of the normal value, in accordance with Article 2(4) of the basic Regulation.

(23) The normal value is based on the actual domestic price per product type, irrespective of whether those sales are profitable or not, if:

(a) the sales volume of the product type, sold at a net sales price equal to or above the calculated cost of production, represented more than 80 % of the total sales volume of this product type; and

(b) the weighted average sales price of that product type is equal to or higher than the unit cost of production.

(24) In this case, the normal value is the weighted average of the prices of all domestic sales of that product type during the IP.

(25) The normal value is the actual domestic price per product type of only the profitable domestic sales of the product types during the IP, if:

(a) the volume of profitable sales of the product type represents 80 % or less of the total sales volume of this type; or

(b) the weighted average price of this product type is below the unit cost of production.

(26) The domestic sales used for the normal value of the two cooperating exporting producers were made directly to independent customers. The analysis of domestic sales showed that some of the domestic sales were profitable and that the weighted average sales price was higher than the cost of production. Accordingly, for the product types that were found to be identical or comparable with product types sold for export to the Union, the normal value was calculated either as a weighted average of the prices of all domestic sales or, where applicable, as a weighted average of profitable sales only.

(27) For the product types for which there were no or insufficient sales of the identical or comparable product type of the like product in the ordinary course of trade, or where a product type was not sold in representative quantities on the domestic market, the Commission constructed the normal value in accordance with Article 2(3) and (6) of the basic Regulation.

(28) Normal value was constructed by adding the following to the average cost of manufacturing of the like product of each cooperating exporting producer during the investigation period:

(a) the weighted average selling, general and administrative ('SG&A') expenses incurred by the cooperating exporting producer on domestic sales of the like product, in the ordinary course of trade, during the IP; and

(b) the weighted average profit realised by the cooperating exporting producer on domestic sales of the like product, in the ordinary course of trade, during the IP.

(29) The complainant claimed that the Indian export tax on iron ore, which amounted to 30 % in the IP, pushed domestic prices of iron ore down and reduced the cost of the main raw material to the exporting producers to 40 % of world market price, the effect on the CIF EU export prices of ductile pipes allegedly being 40-100 EUR/ton or 8-17 % of the export price. In these circumstances, the complainant requested that the normal value should be adjusted accordingly.

(30) The exporting producers alleged that the prices at which they buy iron ore in India are similar to the price at which iron ore is exported from India. In addition, one of the exporting producers argued, but only after the verification visits in India took place, that it started buying iron ore from third countries after the IP.

(31) The evidence collected so far did not allow the Commission to provisionally establish whether Indian domestic prices of iron ore are suppressed in comparison with other markets.

(32) Accordingly, the Union industry's and exporting producers' claims could not be verified at this stage of the investigation and will be further investigated at the definitive stage of the investigation, as well as in the parallel anti-subsidy investigation.

3.2. **Export price**

(33) The exporting producers exported to the Union mainly through related companies acting as importers. Exports made directly to independent customers only represented approximately 1 % of their total exports to the Union.

(34) When the exporting producers exported the product concerned directly to independent customers in the Union, the export price was the price actually paid or payable for the product concerned when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.

(35) When the exporting producers exported the product concerned to the Union through related companies acting as an importer, the export price was established on the basis of the price at which the imported product was first resold to independent customers in the Union, in accordance with Article 2(9) of the basic Regulation. In this case, adjustments to the price were made for all costs incurred between importation and resale, including SG&A expenses, and for profits accruing. In the absence of cooperation from unrelated importers, an average profit of 3,7 % was used, based on data from the complaint.

(36) One of the exporting producers claimed that instead of applying Article 2(9) of the basic Regulation, the export price should be based on the transfer prices between the exporting producer and its related companies in the EU. It argued that these prices are reliable since the customs and tax authorities (for VAT purposes and income tax) of some Member States accepted that the transactions between the traders and the mother company are at arm's length.

(37) The Commission provisionally rejected this claim for the following reasons. First, the purpose of the customs authorities' verification differs substantially from the one the Commission carries out in the context of an anti-dumping investigation. In this case, since the customs duties are zero, the customs authorities had no incentive to question the declared export prices. In addition, the Commission did not receive sufficient evidence showing that the tax authorities explicitly accepted the export prices between the exporting producer and its related companies in the EU.

(38) Second, the claim that VAT authorities have accepted the arm's length export prices could not be accepted either since the company is anyway reimbursed for the VAT collected at the moment it resells the goods imported.

(39) Finally, the exporting producer referred to two Council Regulations where transfer prices had been accepted ([1]). However, in the two cases concerned, the Commission could compare sales via related importers with the sales via unrelated ones, which is impossible in the case at hand since the sales via unrelated importers were not representative (around 1 % of all sales to the EU).

([1]) Council Regulation (EC) No 930/2003 of 26 May 2003 terminating the anti-dumping and anti-subsidy proceedings concerning imports of farmed Atlantic salmon originating in Norway and the anti-dumping proceeding concerning imports of farmed Atlantic salmon originating in Chile and the Faeroe Islands (OJ L 133, 29.5.2003, p. 1); and Council Regulation (EC) No 954/2006 of 27 June 2006 imposing definitive anti-dumping duty on imports of certain seamless pipes and tubes, of iron or steel originating in Croatia, Romania, Russia and Ukraine, repealing Council Regulations (EC) No 2320/97 and (EC) No 348/2000, terminating the interim and expiry reviews of the anti-dumping duties on imports of certain seamless pipes and tubes of iron or non-alloy steel originating, inter alia, in Russia and Romania and terminating the interim reviews of the anti-dumping duties on imports of certain seamless pipes and tubes of iron or non-alloy steel originating, inter alia, in Russia and Romania and in Croatia and Ukraine (OJ L 175, 29.6.2006, p. 4).

(40) As regards the other exporting producer, part of the total export sales (some 10-17 %) were not resold in the conditions in which they were imported as they were processed by a related company in Italy. This related company imported semi-processed (bare) pipes which were then further processed by adding external (zinc) and internal coating (cement) to the pipes. Both the imported bare pipes and the finished pipes are product concerned. The internal and external coating of the pipes requires substantial investments in machinery and equipment, raw materials as well as a number of employees with specific qualifications.

(41) In the scenario where products are not resold in the condition in which they were imported, the Commission may construct the export price 'on any reasonable basis', as provided for in Article 2(9) of the basic Regulation. In this case, the Commission has provisionally decided to adjust the price at which the processed product was first resold to independent customers in the Union by all costs incurred between importation and resale (excluding processing costs), SG&A expenses and for profit. In regard to processing costs incurred in the EU, the Commission will investigate further to determine whether an adjustment is appropriate and at what level. In the absence of any other reasonable benchmark, an average profit of 3,7 % was used as a level of profit of unrelated importer, based on data from the complaint. The reasons for constructing the export price on this basis are the following:

— the imported bare pipes are not sold on the Union market as these cannot be used for any water supply or sewage without further processing. For the same reason, bare pipes are not sold on the domestic market in India either;

— in view of the magnitude of the processing costs, which are substantial as a result of the equipment, raw materials and labour needed to transform the imported bare pipes into a usable product, a deduction of these costs, which are much higher than the cost of finishing a product according to customer requirements, would lead to an unreasonable and artificial result.

(42) As regards other products that were imported, both exporting producers had a related importer in the UK which further processed the imported products by adding flanges and cutting the pipes into smaller sizes.

(43) The Commission provisionally constructed the export price of these other products in accordance with Article 2(9) of the basic Regulation, by adjusting the price at which the imported product was first resold to independent customers in the Union by all costs incurred between importation and resale, including the processing costs in the Union, SG&A expenses, and for profit, in order to bring the price back to the price of unprocessed (not cut and/or with no flanges). In the absence of any other reasonable benchmark, an average profit of 3,7 % was used as a level of profit of unrelated importer, based on data from the complaint.

(44) One of the exporting producers argued that for the product types which were not resold in the conditions in which they were imported as they were processed by a related company, the Commission should construct the export price, not on the basis of the prices charged to the first independent customers, but rather on the basis of the exporting producer's direct sales to the EU, possibly complemented with the company's export prices to independent customers in third countries.

(45) The Commission provisionally concluded that the suggested approach should be rejected. First, the direct sales to the EU of the exporting producer were very marginal during the IP both in volume and in value and are thus not representative. Second, the sales to third countries are not a reasonable basis as they do not sufficiently reflect the economic position and behaviour of the exporting producer on the Union market, especially given the fact that the exporting producer did sell to the Union in large quantities via related traders during the same period.

(46) The exporting producer also argued that adjustments should be limited to those 'incurred between importation and resale' and should thus reasonably relate to the resale process. Thus, these costs can for instance not include the SG&A costs that are normally borne by a producer, processor or exporter. The SG&A costs of the related companies in the EU would not be reasonable costs for a mere importer. The exporting producer and its related companies in the EU are allegedly a single economic entity, which would have an impact on the kind of adjustments that can be made to construct the export price.

(47) The company further argued that the SG&A and profit to be used to construct the export price should be re-calculated so that they would only relate to the activity of an importer.

(48) As regards the argument that adjustments should be limited to those 'incurred between importation and resale' the Commission refers to established case-law of the European Courts according to which Article 2(9) of the basic Regulation does not preclude adjustments being made for costs incurred before importation, inasmuch as those costs are normally borne by the importer. Moreover, it follows from this case-law that the existence of a single economic entity does not affect the applicability and the adjustments set out in Article 2(9) of the basic Regulation. This case-law also implies that the fact that the related companies perform only certain functions is not an obstacle to the application of Article 2(9) of the basic Regulation but is reflected in a lower amount of SG&A to be deducted from the price at which the product concerned is first resold to an independent buyer. In any event, the interested party who intends to dispute the extent of the adjustments made on the basis of Article 2(9) of the Basic Regulation has a burden of proof. Hence, if this party deems the adjustments to be excessive it must supply specific evidence and calculations justifying those claims and, in particular, the alternative rate. As the Commission is of the view that the level of SG&A provisionally used to construct the export price reflects the functions performed by the related companies it provisionally rejected these claims.

3.3. **Comparison**

(49) The Commission compared the normal value and the export price of the cooperating exporting producers on an ex-works basis.

(50) The complainant requested the Commission to apply the exceptional methodology of targeted dumping laid down in the second sentence of Article 2(11) of the basic AD Regulation because '*there is a pattern of export prices, which differs significantly among different purchasers and regions, which will result in significantly higher dumping margins (as) the Indian exporters are targeting (…) UK, Spain, Italy and France and certain large customers*'.

(51) The Commission provisionally dismissed the allegations of targeted dumping as the complainant failed to submit sufficient evidence in support of its allegation. The only evidence submitted was Eurostat data showing that the majority of the exports to the EU of the exporting producers enter via only four Member States. However, these exports could be subsequently shipped to other Member States as well. In addition, and more importantly, no data was submitted evidencing differences in prices between Member States.

(52) In addition, the Commission could not establish a pattern of export prices, which differs significantly among different purchasers and regions. The investigation showed that the prices of Union producers selling in some Member States were lower than the average for the Union, but this could not be linked to any targeted dumping practices in particular because this was already the case before the Indian exporting producers started exporting to the EU.

(53) Where justified by the need to ensure a fair comparison, the Commission adjusted the normal value and/or the export price for differences affecting prices and price comparability, in accordance with Article 2(10) of the basic Regulation. Adjustments were made for freight and insurance, handling, packaging, credit costs, bank charges, commission, import charges and after sales costs. However, no adjustment was made for duty drawback since the exporting producers failed to prove that the tax not paid or refunded on export sales is included in the domestic price.

(54) The Indian exporting producers made a claim at a very late stage of the investigation that there are substantial physical differences within Product Control Numbers (PCNs) that would warrant adjustments for fair price comparison or the exclusion of certain special products sold by the complainant. However, the information demonstrating such differences in physical characteristics and potential value of adjustments was not sufficiently substantiated to take a position at this stage of the investigation. The claim is therefore provisionally rejected.

3.4. **Dumping margins**

(55) For the cooperating exporting producers, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price of the corresponding type of the product concerned, in accordance with Article 2(11) and (12) of the basic Regulation.

(56) The level of cooperation in this case is high because the imports of the cooperating exporting producers constituted 100 % of the total exports to the Union during the IP. On this basis, the Commission decided to base the residual dumping margin at the level of the cooperating company with the highest dumping margin.

(57) The provisional dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Name of company	Provisional Dumping margin
Jindal Saw Ltd	31,2 %
Electrosteel Casting Ltd	15,3 %
All other companies	31,2 %

4. **INJURY**

4.1. **Definition of the Union industry and Union production**

(58) The like product was manufactured by three producers in the Union during the investigation period. They constitute the 'Union industry' within the meaning of Article 4(1) of the basic Regulation.

(59) As there are only three Union producers and SG PAM Group provided the data for its subsidiaries and estimates for the sole non-cooperating Union producer, all figures are presented in indexed form or given as ranges to protect confidentiality of the other Union producer who cooperated with the investigation.

(60) The total Union production during the investigation period was established at 550 000 – 650 000 tonnes The Commission established the total Union production on the basis of all the available information concerning the Union industry, such as information provided in the complaint for the non-cooperating producer and data collected from cooperating Union producers during the investigation. As indicated in recital (7) there are only three producers in the Union and the two cooperating ones represent around 96 % of the total Union production.

4.2. **Union consumption**

(61) The Commission established the Union consumption on the basis of the volume of the total Union industry's sales in the Union, plus imports from third countries to the Union. The Commission established the total Union industry's sales on the basis of the data collected from cooperating Union producers and the information provided in the complaint for the non-cooperating producer. Import volumes were extracted from Eurostat data.

(62) Union consumption developed as follows:

Union consumption

	2011	2012	2013	IP
Index	*100*	*84*	*83*	*97*

Source: questionnaire replies, information contained in the complaint and Eurostat.

(63) The Union consumption decreased by 3,3 % during the period considered. The Union consumption followed a U-pattern — it fell significantly between 2011 and 2012 (by more than 16 %), but increased substantially in the investigation period. The final users of ductile iron pipes are water supply utilities, sewerage and irrigation companies. They are most often public entities dependant on governmental funding. In 2011 and 2012 the economic crisis turned into a fully-fledged government debt crisis. This prompted the Union governments to drastically reduce public investment and expenditure, which explains a significant drop in demand for ductile pipes, especially in countries such as Spain, Portugal and Italy.

4.3. **Imports from India**

4.3.1. *Volume and market share of the imports from India*

(64) The Commission established the volume of imports on the basis of Eurostat. The Eurostat data was in line with the data submitted by the exporting producers from India. The market share of the imports was established on the same basis.

(65) Imports into the Union from the country concerned developed as follows:

Import volume (metric tonnes) and market share

	2011	2012	2013	IP
Volume of imports from India	75 000 – 85 000	60 000 – 70 000	75 000 – 85 000	95 000 – 105 000
Volume of imports *Index*	*100*	*83*	*101*	*123*
Market Share *Index*	*100*	*99*	*122*	*127*

Source: Eurostat, questionnaire replies.

(66) The Indian import volumes increased significantly by more than 22 % during the period considered in spite of the shrinking market. The Indian exporting producers gained 3,5 percentage points of market share in the same period.

4.3.2. *Prices of the imports from India and price undercutting*

(67) The Commission established the prices of imports on the basis of Eurostat data. Price undercutting of the imports was established on the basis of the data submitted by the exporting producers from India and the Union industry.

(68) The average price of imports into the Union from India developed as follows:

Import prices (EUR/tonne)

	2011	2012	2013	IP
India	650-750	700-800	600-700	600-700
Index	*100*	*106*	*99*	*98*

Source: Eurostat, questionnaire replies.

(69) The Indian prices slightly decreased during the whole period considered. The Indian prices went up in 2012 (by 5,7 %), but declined even more in 2013 (by – 6,2 %).

(70) The Commission determined the price undercutting during the investigation period by comparing:

(a) the weighted average sales prices per product type of the Union producers charged to unrelated customers on the Union market, adjusted to an ex-works level; and

(b) the corresponding weighted average prices per product type of the imports from the cooperating Indian producers to the first independent customer on the Union market, established on a Cost, insurance, freight (CIF) basis, with appropriate adjustments for post-importation costs.

(c) The price comparison was made on a type-by-type basis for transactions at the same level of trade, duly adjusted where necessary, and after deduction of rebates and discounts. The result of the comparison was expressed as a percentage of the Union producers' turnover during the investigation period. It showed weighted average undercutting margins of 34 % and 42,4 % for the two cooperating exporting producers.

4.4. **Economic situation of the Union industry**

4.4.1. *General remarks*

(71) In accordance with Article 3(5) of the basic Regulation, the examination of the impact of the dumped imports on the Union industry included an evaluation of all economic indicators having a bearing on the state of the Union industry during the period considered.

(72) For the injury determination, the Commission distinguished between macroeconomic and microeconomic injury indicators. The Commission evaluated the macroeconomic indicators on the basis of data contained in the questionnaire replies from the cooperating Union producers and the estimates contained in the complaint for the non-cooperating producer. The Commission evaluated the microeconomic indicators on the basis of data contained in the questionnaire replies from the cooperating Union producers. Both sets of data were found to be representative of the economic situation of the Union industry.

(73) The macroeconomic indicators are: production, production capacity, capacity utilisation, sales volume, market share, growth, employment, productivity, magnitude of the dumping margin, and recovery from past dumping.

(74) The microeconomic indicators are: average unit prices, unit cost, labour costs, inventories, profitability, cash flow, investments, return on investments, and ability to raise capital.

4.4.2. *Macroeconomic indicators*

4.4.2.1. Production, production capacity and capacity utilisation

(75) The total Union production, production capacity and capacity utilisation developed over the period considered as follows:

Production, production capacity and capacity utilisation

	2011	2012	2013	IP
Production Volume *Index*	*100*	*79*	*91*	*101*
Production Capacity *Index*	*100*	*100*	*100*	*100*
Capacity utilisation (%)	52 - 57	42 - 47	45 - 50	53 - 58

Source: Questionnaire replies and information contained in the complaint.

(76) The overall production of the Union industry was slightly higher in the investigation period than it was in 2011, in spite of much lower EU sales in the investigation period. The increase in production is explained by increased export sales.

(77) The capacity remained stable throughout the period considered. The capacity utilisation went marginally up in line with the increase in production in the period considered. Nonetheless, the capacity utilisation remained low at 53-58 %. Ductile iron pipes production is an industry characterised by a relatively high fixed cost. Low capacity utilisation deteriorates the absorption of fixed costs, which is one of the causes of the low profitability of the Union industry.

4.4.2.2. Sales volume and market share

(78) The Union industry's sales volume and market share developed over the period considered as follows:

Sales volume and market share of Union Industry

	2011	2012	2013	IP
Sales volume *Index*	*100*	*83*	*81*	*94*
Market share *Index*	*100*	*100*	*97*	*97*

Source: Questionnaire replies, information contained in the complaint and Eurostat.

(79) The Union industry sales decreased by 6,4 % during the period considered to 450-500 000 in the investigation period. The Union industry lost significantly larger volume of sales than the volume of decrease in consumption.

4.4.2.3. Growth

(80) The overall consumption of the product concerned in the Union decreased by almost 3,3 % in the period considered. The consumption fell drastically in 2012 by more than 16 %, remained depressed in 2013 and started recovering in the investigation period. At the beginning of the period considered the sales of the Union Industry, the imports from third countries as well as Indian imports fell in line with the consumption. However, in 2013, when the consumption was still depressed and the profitability of the Union industry negative, the Indian manufactures managed to increase significantly both their sales and the market share. Such a successful expansion of the Indian sales in a declining market was possible through aggressive undercutting and dumping practices. The aggressive sales and pricing strategies continued in the investigation period. As a result, the volume of sales of the Union industry fell much more than the consumption and the Union industry lost market share by 2,5 percentage points in the period considered, while the Indian producers increased their market share by 3,5 percentage points in the same period.

4.4.2.4. Employment and productivity

(81) Employment and productivity developed over the period considered as follows:

Employment and productivity

	2011	2012	2013	IP
Number of employees *Index*	*100*	*93*	*93*	*99*
Productivity *Index*	*100*	*82*	*96*	*102*

Source: Questionnaire replies.

(82) The employment and productivity were at similar level in the investigation period as they had been in 2011. However, the fact that employment did not go down is mainly attributable to a significant increase in the sales outside of the Union as mentioned in recital (77).

4.4.2.5. Magnitude of the dumping margin and recovery from past dumping

(83) All dumping margins were significantly above the de minimis level. The impact of the magnitude of the actual margins of dumping on the Union industry was substantial, given the volume and prices of imports from the country concerned.

(84) This is the first anti-dumping investigation regarding the product concerned. Therefore, no data were available to assess the effects of possible past dumping.

4.4.3. *Microeconomic indicators*

4.4.3.1. Prices and factors affecting prices

(85) The average unit sales prices of the cooperating Union producers to unrelated customers in the Union developed over the period considered as follows:

Sales prices in the Union

	2011	2012	2013	IP
Average unit sales price in the Union (EUR/tonne)	950 – 1 000	1 000 – 1 050	1 000 – 1 050	950 – 1 000
Index	*100*	*105*	*104*	*101*
Unit cost of production (EUR/tonne)	900 – 950	1 000 – 1 050	900 – 950	850 – 900
Index	*100*	*110*	*104*	*96*

Source: Questionnaire replies.

(86) The average unit selling price evolved broadly in line with the cost of production. It went up in 2012 when there was an increase in the cost of production and from 2013 to the investigation period it had kept falling in line with the reduction in the cost of production. The cost of production went down, mainly due to the reduction in the price of the main raw material — iron ore and scrap metal.

4.4.3.2. Labour costs

(87) The average labour costs of the cooperating Union producers developed over the period considered as follows:

Average labour costs per employee

	2011	2012	2013	IP
Index	*100*	*100*	*103*	*104*

Source: Questionnaire replies.

(88) During the period considered, the average labour cost per employee went up by 4 %. This increase was below the overall increase in wages and salaries in the Union as reported by Eurostat.

4.4.3.3. Inventories

(89) Stock levels of the cooperating Union producers developed over the period considered as follows:

Inventories

	2011	2012	2013	IP
Closing stocks *Index*	*100*	*74*	*73*	*82*

Source: Questionnaire replies.

(90) During the period considered the level of closing stocks went down. The reduction in the level of stocks is mainly caused by a more stringent working capital requirements imposed by the Union industry's management.

4.4.3.4. Profitability, cash flow, investments, return on investments and ability to raise capital

(91) Profitability, cash flow, investments and return on investments of the cooperating Union producers developed over the period considered as follows:

Profitability, cash flow, investments and return on investments

	2011	2012	2013	IP
Profitability of the sales in the Union to unrelated customers (% of sales turnover)	between 2,5 and 3,0	between – 5,5 and – 6,0	between – 1,0 and – 1,5	between 1,5 and 2,0
Cash Flow *Index*	*100*	*92*	*67*	*101*
Investments *Index*	*100*	*60*	*67*	*120*
Return on Investments (%)	49	– 155	– 29	20

Source: Questionnaire replies.

(92) The Commission established the profitability of the cooperating Union producers by expressing the pre-tax net profit of the sales of the like product to unrelated customers in the Union as a percentage of the turnover of those sales. The profitability of the Union industry went down from 2,5-3,0 % in 2011 to 1,5-2,0 % in the investigation period and it was negative in 2012 and 2013. Most of the sales of the product concerned in the EU were made through the sales subsidiaries of the cooperating EU producers and their costs and profitability were taken into account.

(93) The net cash flow is the ability of the cooperating Union producers to self-finance their activities. The cash flow was at a similar level in 2011 and the investigation period.

(94) The level of investment was larger in the investigation than it had been in 2011. However in the years 2012 and 2013 the level of investment was much lower and the increase in the investigation period did not offset the decrease in the preceding years. The return on investments is the profit in percentage of the net book value of investments. The return on investments was significantly lower in the investigation period than it was in 2011.

4.4.4. *Conclusion on injury*

(95) The Union industry lost market share by 2,5 percentage points in the declining market, while its sales in the Union market decreased by almost 6,4 %. The capacity utilisation remained low at 53-58 % throughout the whole period considered, affecting the Union industry's ability to absorb fixed costs. Although, the Union industry's profitability had bottomed out since reaching its lowest point in 2012, it was still very low in the investigation period at 1,5-2,0 %, well below the target profit. At the same period, the Indian imports increased by 22,6 % and their market share grew by 3,5 percentage points.

(96) Other indicators remained relatively stable. However, their deterioration was to a large extent prevented by a substantial increase in the Union industry's sales outside the Union. The only indicator which showed a clearly positive trend during the period considered was investments, which went up by 20 %. However in the years 2012 and 2013 the level of investment was much lower and the increase in the investigation period did not even offset the decrease in the preceding years.

(97) A very low profitability, coupled with a continued loss of sales and the market share in the Union, puts the Union industry in a difficult economic situation.

(98) On the basis of the above, the Commission provisionally concluded that the Union industry suffered material injury within the meaning of Article 3(5) of the basic Regulation.

5. CAUSATION

(99) In accordance with Article 3(6) of the basic Regulation, the Commission examined whether the dumped imports from the country concerned caused material injury to the Union industry. In accordance with Article 3(7) of the basic Regulation, the Commission also examined whether other known factors could at the same time have injured the Union industry. The Commission ensured that any possible injury caused by factors other than the dumped imports from the country concerned was not attributed to the dumped imports. These factors are: the economic crisis and decrease of demand, imports from third countries, export performance of the Union industry and the competition from substitute products such as plastic pipes.

5.1. Effects of the dumped imports

(100) The Indian exporting producers' volume of sales in the Union were almost twice as large 75 000 – 85 000 as all other imports combined (45,8kt) already at the beginning of the period considered. The Indian sales fell in line with the consumption in the year 2012 but maintained a market share of around 10-15 %. However, in the year 2013, when the consumption was still depressed and the profitability of the Union industry negative, the Indian manufacturers managed to increase significantly both their sales and market share. Such a successful expansion of the Indian sales in a declining market was possible through aggressive dumped pricing — the Indian import prices went down year-on-year in 2013 by 6,2 %. The aggressive pricing continued in the investigation period. The volume of sales from the Indian exporting producers exceeded 100 000 and their market share reached 15-20 % in the investigation period. Such a quick expansion was possible through substantial undercutting of the Union producers. The level of undercutting was established at 34 % and 42,4 %. Whilst the Indian sales and market share increased significantly, the volume of sales of the Union industry fell much more than the consumption and the Union Industry lost sales by 6,4 % and its market share fell by 2,5 percentage points.

(101) Given the clearly established coincidence in time between significant undercutting of the Union producers' prices by the dumped Indian imports and the Union's industry loss of sales and market share, resulting in a very low profitability, it is concluded that the dumped imports were responsible for the injurious situation of the Union industry.

5.2. Effects of other factors

5.2.1. *The economic crisis and decrease in demand*

(102) The Union consumption of the product concerned decreased by 3,3 % in the period considered, while the Indian imports increased at the same time by 22,6 %. The main fall in consumption (15 % from 2011 to 2012) was caused by an economic crisis and shrinking public expenditure. The decrease in consumption seems to have contributed to the injury at the beginning of the period considered, and may also have contributed in the year 2013. However, in 2013 and, especially in the investigation period, the dumped Indian imports are the main injury factor exerting downward pressure on the Union sales of the Union Industry and preventing the return to a sustainable profitability.

5.2.2. *Imports from third countries*

(103) The volume of imports from other third countries developed over the period considered as follows:

Imports from third countries in volume (metric tonnes)

	2011	2012	2013	IP
China	31 136	28 019	12 266	13 903
Index	*100*	*90*	39	*45*

	2011	2012	2013	IP
Third countries except China	14 693	12 183	20 153	22 524
Index	*100*	*83*	*137*	*153*
All third countries	45 828	40 202	32 419	36 427
Index	*100*	*88*	*71*	*79*

Source: Eurostat.

(104) The imports from India constituted the majority of all imports in the Union (more than 70 %) in the investigation period. While Indian imports increased by more than 22 % during the period considered other imports decreased by more than 20 % in the same period. While Indian imports gained market share by 2,5 percentage points, the other imports lost the market share by more than 1 percentage point. Given the low volumes of imports from third countries as well as the fact that they decreased both in volume and in market share terms, there is no indication that they caused injury to the Union industry.

(105) Exporting producers claimed that one of the Union producers imported the product concerned from its Chinese production facilities, inflicting injury on itself. No evidence was found to support those claims. The verified evidence demonstrated that imports into the Union from the related Chinese facilities of the Union producer had been very low. In addition, the imports from China decreased significantly during the period considered and lost the market share by more than 2 percentage points, which clearly rules them out as the cause of the injury.

5.2.3. *Export performance of the Union industry*

(106) The volume of exports of the cooperating Union producers developed over the period considered as follows:

Export performance of the cooperating Union Producers

	2011	2012	2013	IP
Export Volume *Index*	*100*	*78*	*116*	*130*
Average Export Price *Index*	*100*	*108*	*104*	*99*

Source: Questionnaire replies.

(107) The sales of the Union industry outside of the Union increased considerably by 30 % over the period considered, while the average selling price remained relatively stable. Therefore, the sales outside of the Union are actually a factor alleviating the injury. Absent an increase of sales outside of the Union, the Union industry would be in an even more injurious situation.

5.2.4. *Competition from substitute products*

(108) Interested parties claimed that the injury was caused by fierce competition from substitute products, in particular plastic pipes (polyethylene (PE), polyvinyl chloride (PVC) & polypropylene (PP)). Plastic pipes in smaller diameters are initially much cheaper per unit. However taking into account the maintenance cost and the product life, the product concerned have cost advantages in the long term. Plastic pipes exert some competitive pressure on the product concerned, especially for smaller diameters. However, ductile pipes did not lose market shares to plastic pipes during the period considered, and in some instances, ductile pipes even managed to regain some market share from plastic pipes during the period considered. Therefore, the competition from plastic substitutes was unlikely to be the cause of the material injury in the period considered.

5.3. **Conclusion on causation**

(109) A causal link was provisionally established between the injury suffered by the Union producers and the dumped imports from the country concerned. There is a clear coincidence in time between the undercutting of the Union industry's prices by the dumped imports and the Union's industry decrease in EU sales and the EU market share. The dumped imports from India undercut the Union industry prices by 34 % and 42,4 % during the investigation period. This results in a very low profitability of the EU industry.

(110) The Commission distinguished and separated the effects of all known factors on the situation of the Union industry from the injurious effects of the dumped imports. The economic crisis and decrease in demand contributed to the injury at the beginning of the period considered, and may have contributed in the year 2013. However, in the absence of significant undercutting of the Union industry by dumped imports, the situation of the Union industry would certainly not have been affected to such an extent. In particular, the sales would not fall so much, the capacity utilisation would be higher and the profitability would be more sustainable. Therefore, the fall in consumption is provisionally found not to break the casual link between the dumped imports and the material injury.

(111) The other identified factors such as imports from third countries, export performance of the Union industry and the competition from substitute products were provisionally not found to break the causal link established above, even considering their possible combined effect.

(112) On the basis of the above, the Commission concluded at this stage that the material injury to the Union industry was caused by the dumped imports from India and the other factors, considered individually or collectively, did not break the causal link. The injury consists mainly of the fall in the Union sales, the loss of market share by the EU industry, low capacity utilisation rate and low profitability.

6. **UNION INTEREST**

(113) In accordance with Article 21 of the basic Regulation, the Commission examined whether the imposition of anti-dumping measures would be against the Union interest. It gave special consideration to the need to eliminate the trade distorting effects of injurious dumping and to restore effective competition. The determination of the Union interest was based on an appreciation of all the various interests involved, including those of the Union industry, distributors and final users, such as water, sewerage and irrigation utilities.

6.1. **Interest of the Union industry**

(114) The Union industry's production plants are located in France, Germany, Spain and Austria. The Union industry employed directly more than 2 400 employees in the production and sales of the product concerned. Two out of three producers cooperated with the investigation. The non-cooperating producer did not oppose the initiation of the investigation. As demonstrated above, the two cooperating companies experienced material injury and were negatively affected by the dumped imports.

(115) It is expected that the imposition of provisional anti-dumping duties will restore fair trade conditions on the Union market and will enable the Union producers to increase their sales and increase the low capacity utilisation rate. This would result in an improvement of the Union industry's profitability towards levels considered necessary for this capital intensive industry and prevent the loss of employment. In the absence of measures, a further deterioration of the Union industry's economic situation appears very likely.

(116) It is therefore provisionally concluded that the imposition of anti-dumping duties would be in the interest of the Union industry.

6.2. **Interest of unrelated importers, distributors, users and other interested parties**

(117) No unrelated importers made themselves known within the time limits set out in the Notice of Initiation. Many distributors came forward and expressed their views. However very few of them submitted more substantiated data enabling an in-depth analysis. Only a few final users participated in the investigation.

(118) Several interested parties (mainly distributors of the Union industry's products and associations of metal industry workers) were in favour of the investigation, demanding the restoration of fair competition, deploring the injurious state of the Union industry and claiming that if the duties were not imposed, the Union production capacity was bound to disappear and the Union's employment lost.

(119) Distributors of the product concerned imported from India as well as several end-users i.e. water, sewerage and irrigation utilities opposed the imposition of measures. They voiced their concerns that SG PAM Group would get a quasi-monopolistic position on the Union market if the Indian imports are reduced due to the imposition of measures, resulting in an increase in prices. SG PAM Group has a very strong market position in the Union market. However there are several factors that appear to counter its market power. First, there are two other Union producers with spare capacities, who can ensure effective competition in case SG PAM's prices become excessive.

(120) Second, there are several producers located in third countries (China, Turkey, Russia, and Switzerland) who are already selling to the EU market. Their sales volumes during the period considered were low and declining. However, the main cause of such a decline in other importers sales appears to have been an aggressive competition from the Indian producers. The Indian dumped prices were much below the prices of all other major importing countries (with the exception of Russia). In case the Union industry unilaterally increases prices, the imports from other countries may increase on the short-medium term, given that those exporters have already presence in the Union.

Average import price in EUR

	2011	2012	2013	IP
India	665	703	659	651
China	955	1 014	1 059	1 054
Switzerland	1 711	1 678	1 554	1 526
Russia	697	696	652	627
Turkey	1 246	1 544	1 272	1 010

Source: Eurostat.

6.3. **Conclusion on Union interest**

(121) On the basis of the above, the Commission concluded that there were no compelling reasons that it was not in the Union interest to impose measures on imports of ductile iron pipes originating in India at this stage of the investigation. The Commission will continue investigating the possible effects on competition in the Union market, though, at the definitive stage on the basis of further information to be submitted.

7. PROVISIONAL ANTI-DUMPING MEASURES

(122) On the basis of the conclusions reached by the Commission on dumping, injury, causation and Union interest, provisional measures should be imposed to prevent further injury being caused to the Union industry by the dumped imports.

7.1. **Injury elimination level (Injury margin)**

(123) To determine the level of the measures, the Commission first analysed the amount of duty necessary to eliminate the injury suffered by the Union industry.

(124) The injury would be eliminated if the Union industry was able to cover its costs of production and to obtain a profit before tax on sales of the like product in the Union market that could be reasonably achieved under normal conditions of competition by an industry of this type in the sector, namely in the absence of dumped imports.

(125) The complaint claims that the industry expects a profitability exceeding 12 % in the absence of dumped imports as it achieved such a level of profitability in the years preceding the period considered. It must be noted that in the years preceding the period considered the sales of the Union industry were exceptionally high due to an economic boom in 2007-2008 and the Union governments' fiscal stimulus spending to counteract the effects of economic crisis in the year 2009. Therefore, those years cannot be considered as representative for the Union industry's profitability. The complainant also claims that double-digit profitability is justified by a high-level of R & D spending. The investigation found little evidence for an intense R & D activity — the R & D expenditure accounted for less than 2 % of the turnover in 2011 and even less in the investigation period for the Union producer who had the highest R & D spending.

(126) In previous investigations regarding similar products — certain seamless pipes and tubes of stainless steel [1] and certain welded tubes and pipes of iron or non-alloy steel [2] it was considered that a profit margin of 5 % could be regarded as an appropriate level that the Union industry could be expected to obtain in the absence of injurious dumping. Ductile cast iron pipes and tubes are similar in many respects to seamless steel pipes and welded pipes of iron and non-alloy steel — iron raw material is a major part of their cost of production and they can be also used for the conveyance of water. Therefore, it has been provisionally considered that a 5 % profitability margin is reasonable also for the ductile pipes industry.

(127) The Commission then determined the injury elimination level on the basis of a comparison of the weighted average import price of the cooperating exporting producers, as established for the price undercutting calculations, with the weighted average non-injurious price of the like product sold by the cooperating Union producers on the Union market during the investigation period. Any difference resulting from this comparison was expressed as a percentage of the weighted average import CIF value.

7.2. **Provisional measures**

(128) Provisional anti-dumping measures should be imposed on imports of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) originating in India, in accordance with the lesser duty rule in Article 7(2) of the basic Regulation. The Commission compared the injury margins and the dumping margins. The amount of the duties should be set at the level of the lower of the dumping and the injury margins.

(129) On the basis of the above, the provisional anti-dumping duty rates, expressed on the CIF Union border price, customs duty unpaid, should be as follows:

Country	Company	Dumping margin	Injury margin	Provisional anti-dumping duty
India	Jindal Saw Ltd	31,2 %	68 %	31,2 %
	Electrosteel Casting Ltd	15,3 %	59 %	15,3 %

(130) The individual company anti-dumping duty rates specified in this Regulation were established on the basis of the findings of this investigation. Therefore, they reflected the situation found during this investigation with respect to these companies. These duty rates are exclusively applicable to imports of the product concerned originating in the country concerned i.e. India and produced by the named legal entities. Imports of product concerned produced by any other company not specifically mentioned in the operative part of this Regulation, including entities related to those specifically mentioned, should be subject to the duty rate applicable to 'all other companies'. They should not be subject to any of the individual anti-dumping duty rates.

(1) OJ L 336, 20.12.2011, p. 6.
(2) OJ L 343, 19.12.2008, p. 1.

(131) A company may request the application of these individual anti-dumping duty rates if it changes subsequently the name of its entity. The request must be addressed to the Commission [1]. The request must contain all the relevant information enabling to demonstrate that the change does not affect the right of the company to benefit from the duty rate which applies to it. If the change of name of the company does not affect its right to benefit from the duty rate which applies to it, a notice informing about the change of name will be published in the *Official Journal of the European Union*.

(132) To minimise the risks of circumvention due to the high difference in duty rates, special measures are needed to ensure the application of the individual anti-dumping duties. The companies with individual anti-dumping duties must present a valid commercial invoice to the customs authorities of the Member States. The invoice must conform to the requirements set out in Article 1(3) hereof. Imports not accompanied by that invoice should be subject to the anti-dumping duty applicable to 'all other companies'.

(133) To ensure a proper enforcement of the anti-dumping duties, the anti-dumping duty for all other companies should apply not only to the non-cooperating exporting producers in this investigation, but to the producers which did not have exports to the Union during the investigation period.

8. **FINAL PROVISIONS**

(134) In the interests of sound administration, the Commission will invite the interested parties to submit written comments and/or to request a hearing with the Commission and/or the Hearing Officer in trade proceedings within a fixed deadline.

(135) The findings concerning the imposition of provisional duties are provisional and may be amended at the definitive stage of the investigation,

HAS ADOPTED THIS REGULATION:

Article 1

1. A provisional anti-dumping duty is imposed on imports of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) originating in India, currently falling within CN codes ex 7303 00 10 and ex 7303 00 90 (TARIC codes 7303 00 10 10, 7303 00 90 10).

2. The rates of the provisional anti-dumping duty applicable to the net, free-at-Union-frontier price, before duty, of the product described in paragraph 1 and produced by the companies listed below shall be as follows:

Company	Provisional anti-dumping duty	TARIC additional code
Jindal Saw Ltd	31,2 %	C054
Electrosteel Casting Ltd	15,3 %	C055
All other companies	31,2 %	C999

3. The application of the individual duty rate specified for the companies mentioned in paragraph 2 shall be conditional upon presentation to the customs authorities of the Member States of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows: '*I, the undersigned, certify that the (volume) of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) sold for export to the European Union covered by this invoice was manufactured by (company name and address) (TARIC additional code) in India. I declare that the information provided in this invoice is complete and correct.*' If no such invoice is presented, the duty rate applicable to 'all other companies' shall apply.

[1] European Commission, Directorate-General for Trade, Directorate H, Rue de la Loi 170, 1040 Brussels, Belgium.

4. The release for free circulation in the Union of the product referred to in paragraph 1 shall be subject to the provision of a security deposit equivalent to the amount of the provisional duty.

5. Unless otherwise specified, the relevant provisions in force concerning customs duties shall apply.

Article 2

1. Within 25 calendar days of the date of entry into force of this Regulation, interested parties may:

(a) Request disclosure of the essential facts and considerations on the basis of which this Regulation was adopted;

(b) Submit their written comments to the Commission; and

(c) Request a hearing with the Commission and/or the Hearing Officer in trade proceedings.

2. Within 25 calendar days of the date of entry into force of this Regulation, the parties referred to in Article 21(4) of Regulation (EC) No 1225/2009 may comment on the application of the provisional measures.

Article 3

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

Article 1 shall apply for a period of 6 months.

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

Done at Brussels, 18 September 2015.

For the Commission

The President

Jean-Claude JUNCKER