

## Notice of initiation of an expiry review of the antidumping measures applicable to imports of steel ropes and cables originating in the People's Republic of China, India, South Africa and Ukraine

(2004/C 207/02)

Following the publication of a notice of impending expiry <sup>(1)</sup> of the anti-dumping measures in force on imports of steel ropes and cables originating in the People's Republic of China, India, Mexico, South Africa and Ukraine, the Commission has received a request for review pursuant to Article 11(2) of Council Regulation (EC) No 384/96 <sup>(2)</sup> (the basic Regulation). The review request concerns imports of steel ropes and cables originating in the People's Republic of China, India, South Africa and Ukraine (the countries concerned).

### 1. Request for review

The request was lodged on 17 May 2004 by the Liaison Committee of European Union Wire Rope Industries (EWRIS) (the applicant) on behalf of producers representing a major proportion, in this case more than 50 %, of the total Community production of steel ropes and cables.

### 2. Product

The product under review is steel ropes and cables, originating in the People's Republic of China, India, South Africa and Ukraine (the product concerned), currently classifiable within CN codes ex 7312 10 82 (TARIC code 7312 10 82\*10), ex 7312 10 84 (TARIC code 7312 10 84\*10), ex 7312 10 86 (TARIC code 7312 10 86\*10), ex 7312 10 88 (TARIC code 7312 10 88\*10) and ex 7312 10 99 (TARIC code 7312 10 99\*10). These CN codes are given only for information.

### 3. Existing measures

The measures currently in force are definitive anti-dumping duties imposed by Council Regulation (EC) No 1796/1999 <sup>(3)</sup>.

### 4. Grounds for the review

The request is based on the grounds that the expiry of measures would be likely to result in a continuation or recurrence of dumping and injury to the Community industry.

In view of the provisions of Article 2(7) of the basic Regulation, the applicant established normal value for the People's Republic of China and for Ukraine on the basis of the price in an appropriate market economy country, which is mentioned in paragraph 5.1(d) of this notice. The allegation of recurrence of dumping is based on a comparison of normal value, as set out in the previous sentence, with, in the case of the People's Republic of China, the export prices of the product concerned when sold for export to the United States of America and, in the case of Ukraine, with the export prices of the product concerned when sold for export to Russia.

The allegation of recurrence of dumping for South Africa is based on a comparison of normal value, established on the basis of domestic prices, with the export prices of the product concerned when sold for export to United States of America.

On the basis of the above comparisons of normal values and export prices which show dumping from the three countries concerned, the applicant alleges that there is a likelihood of recurrence of dumping.

The allegation of continuation of dumping in respect of India is based on a comparison of normal value, established on the basis of domestic prices, with the export prices of the product concerned to the Community.

On this basis, the dumping margin calculated is significant. The applicant further alleges the likelihood of further injurious dumping. In this respect the applicant presents evidence that, should measures be allowed to lapse, the current import level of the product concerned is likely to increase due to the existence of unused capacity in the countries concerned.

In addition, the applicant alleges that the already fragile situation of the Community industry would further deteriorate if measures were allowed to lapse and that any recurrence of substantial imports at dumped prices from the countries concerned would likely lead to a recurrence of further injury of the Community industry.

### 5. Procedure

Having determined, after consulting the Advisory Committee, that sufficient evidence exists to justify the initiation of an expiry review, the Commission hereby initiates a review in accordance with Article 11(2) of the basic Regulation.

#### 5.1. Procedure for the determination of likelihood of dumping and injury

The expiry review will determine whether the expiry of the measures would be likely, or unlikely, to lead to a continuation or recurrence of dumping and injury.

##### (a) Sampling

In view of the apparent number of parties involved in this proceeding, the Commission may decide to apply sampling, in accordance with Article 17 of the basic Regulation.

<sup>(1)</sup> OJ C 272, 13.11.2003, p. 2.

<sup>(2)</sup> OJ L 56, 6.3.96, p.1. Regulation as last amended by Regulation (EC) No 461/2004 (OJ L 77, 13.3.2004, p. 12).

<sup>(3)</sup> OJ L 217, 17.8.1999, p. 1.

## (i) Sampling for exporters/producers in the People's Republic of China

In order to enable the Commission to decide whether sampling is necessary and, if so, to select a sample, all exporters/producers, or representatives acting on their behalf, are hereby requested to make themselves known by contacting the Commission and providing the following information on their company or companies within the time limit set in paragraph 6(b)(i) and in the format indicated in point 7 of this notice:

- name, address, e-mail address, telephone, and fax, and/or telex numbers and contact person,
- the turnover in local currency and the volume in tonnes of the product concerned sold for export to the Community during the period 1 July 2003 to 30 June 2004,
- the turnover in local currency and the sales volume in tonnes for the product concerned on the domestic market during the period 1 July 2003 to 30 June 2004 which will be Investigation Period (IP),
- the precise activities of the company with regard to the production of the product concerned,
- the names and the precise activities of all related companies<sup>(1)</sup> involved in the production and/or selling (export and/or domestic) of the product concerned,
- any other relevant information that would assist the Commission in the selection of the sample,
- an indication of whether the company or companies agree to their inclusion in the sample, which implies replying to a questionnaire and accepting an on-the-spot investigation of their response.

In order to obtain the information it deems necessary for the selection of the sample of exporters/producers, the Commission will, in addition, contact the authorities of the exporting country, and any known associations of exporters/producers.

## (ii) Sampling for importers

In order to enable the Commission to decide whether sampling is necessary and, if so, to select a sample, all importers, or representatives acting on their behalf, are hereby requested to make themselves known to the Commission and to provide the following information on their company or companies within the time limit set in point 6(b)(i) and in the formats indicated in point 7 of this notice:

- name, address, e-mail address, telephone, and fax, and/or telex numbers and contact person,
- the total turnover in euro of the company during the period 1 July 2003 to 30 June 2004,
- the total number of employees,
- the precise activities of the company with regard to the product concerned,
- the volume in tonnes and value in euro of imports into and resales made in the Community market during the period 1 July 2003 to 30 June 2004 of the imported product concerned originating in the People's Republic of China, India, South Africa and Ukraine,
- the names and the precise activities of all related companies involved in the production and/or selling of the product concerned,
- any other relevant information that would assist the Commission in the selection of the sample,
- an indication of whether the company or companies agree to their inclusion in the sample, which implies replying to a questionnaire and accepting an on-the-spot investigation of their response.

In order to obtain the information it deems necessary for the selection of the sample of importers, the Commission will, in addition, contact any known associations of importers.

## (iii) Sampling for Community producers

In view of the large number of Community producers supporting the complaint, the Commission intends to investigate injury to the Community industry by applying sampling.

In order to enable the Commission to select a sample, all Community producers are hereby requested to provide the following information on their company or companies within the time limit set in point 6(b)(i) of this notice:

- name, address, e-mail address, telephone, and fax, and/or telex numbers and contact person,
- the total turnover in euro of the company during the period 1 July 2003 to 30 June 2004,
- the precise activities of the company with regard to the production of the product concerned,
- the value in euro of sales of the product concerned made in the Community market during the period 1 July 2003 to 30 June 2004,
- the volume in tonnes of sales of the product concerned made in the Community market during the period 1 July 2003 to 30 June 2004,

<sup>(1)</sup> For guidance on the meaning of related companies, please refer to Article 143 of Commission Regulation (EEC) No 2454/93 concerning the implementation of the Community Customs Code (OJ L 253, 11.10.1993, p. 1).

- the volume in tonnes of the production of the product concerned during the period 1 July 2003 to 30 June 2004,
- the names and the precise activities of all related companies involved in the production and/or selling of the product concerned,
- any other relevant information that would assist the Commission in the selection of the sample,
- an indication of whether the company or companies agree to their inclusion in the sample, which implies replying to a questionnaire and accepting an on-the-spot investigation of their response.

(iv) Final selection of the samples

All interested parties wishing to submit any relevant information regarding the selection of the sample must do so within the time limit set in point 6(b)(ii) of this notice.

The Commission intends to make the final selection of the samples after having consulted the parties concerned that have expressed their willingness to be included in the sample.

Companies included in the samples must reply to a questionnaire within the time limit set in point 6(b)(iii) of this notice and must cooperate within the framework of the investigation.

If sufficient cooperation is not forthcoming, the Commission may base its findings, in accordance with Articles 17(4) and 18 of the basic Regulation, on the facts available. A finding based on facts available may be less advantageous to the party concerned, as explained in point 8 of this notice.

(b) Questionnaires

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the sampled Community industry and to any association of producers in the Community, to the sampled exporters/producers in the People's Republic of China, to the exporters/producers in India, South Africa and Ukraine, to any association of exporters/producers, to the sampled importers, to any association of importers named in the complaint, and to the authorities of the exporting countries concerned.

(c) Collection of information and holding of hearings

All interested parties are hereby invited to make their views known, submit information other than questionnaire replies and to provide supporting evidence. This information and supporting evidence must reach the Commission within the time limit set in point 6(a)(ii) of this notice.

Furthermore, the Commission may hear interested parties, provided that they make a request showing that there are particular reasons why they should be heard. This request must be made within the time limit set in point 6(a)(iii) of this notice.

(d) Selection of the market economy country

In the previous investigation India was used as an appropriate market economy country for the purpose of establishing normal value in respect of the People's Republic of China and Ukraine. The applicant has now proposed to use the United States of America for this purpose. Interested parties are hereby invited to comment on the appropriateness of this country within the specific time limit set in point 6(c) of this notice.

5.2. Procedure for the assessment of Community interest

In accordance with Article 21 of the basic Regulation and in the event that the likelihood of a continuation of dumping and injury is confirmed, a decision will be reached as to whether the continuation or removal of measures would not be against the Community interest. For this reason the Community industry, importers, their representative associations, representative users and representative consumer organisations, provided that they prove that there is an objective link between their activity and the product concerned, may, within the general time limits set in point 6(a)(ii) of this notice, make themselves known and provide the Commission with information. The parties which have acted in conformity with the preceding sentence may request a hearing, setting the particular reasons why they should be heard, within the time limit set in point 6(a)(iii) of this notice. It should be noted that any information submitted pursuant to Article 21 will only be taken into account if supported by factual evidence at the time of submission.

6. Time limits

(a) General time limits

(i) For parties to request a questionnaire

All interested parties who did not cooperate in the investigation leading to the measures subject to the present review should request a questionnaire as soon as possible, but not later than 15 days after the publication of this notice in the *Official Journal of the European Union*.

(ii) For parties to make themselves known, to submit questionnaire replies and any other information

All 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 and submit questionnaire replies or any other information within 40 days of the date of publication of this notice in the *Official Journal of the European Union*, unless otherwise specified. 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 aforementioned period.

Companies selected in a sample must submit questionnaire replies within the time limit specified in point 6(b)(iii) of this notice.

(iii) Hearings

All interested parties may also apply to be heard by the Commission within the same 40 day time limit.

(b) **Specific time limit in respect of sampling**

- (i) The information specified in point 5.1(a)(i), 5.1(a)(ii) and 5.1(a)(iii) should reach the Commission within 15 days of the date of publication of this notice in the *Official Journal of the European Union*, given that the Commission intends to consult parties concerned that have expressed their willingness to be included in the sample on its final selection within a period of 21 days of the publication of this notice in the *Official Journal of the European Union*.
- (ii) All other information relevant for the selection of the sample as referred to in 5.1(a)(iv) must reach the Commission within a period of 21 days of the publication of this notice in the *Official Journal of the European Union*.
- (iii) The questionnaire replies from sampled parties must reach the Commission within 37 days from the date of the notification of their inclusion in the sample.

(c) **Specific time limit for the selection of the market economy country**

Parties to the investigation may wish to comment on the appropriateness of the United States of America which, as mentioned in point 5.1(d) of this notice, is envisaged as a market-economy country for the purpose of establishing normal value in respect of the People's Republic of China and Ukraine. These comments must reach the Commission within 10 days of the date of publication of this notice in the *Official Journal of the European Union*.

**7. Written submissions, questionnaire replies and correspondence**

All submissions and requests made by interested parties must be made in writing (not in electronic format, unless otherwise specified) and must indicate the name, address, e-mail address, telephone and fax, and/or telex numbers of the interested party. All written submissions, including the information requested in this notice, questionnaire replies and correspondence provided by interested parties on a confidential basis shall be labelled as 'Limited' <sup>(1)</sup> and, in accordance with Article 19(2) of the basic Regulation, shall be accompanied by a non-confidential version, which will be labelled 'FOR INSPECTION BY INTERESTED PARTIES'.

Commission address for correspondence:

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Directorate B  
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**8. Non-cooperation**

In cases in which any interested party refuses access to or otherwise 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.

Where it is found that any interested party has supplied false or misleading information, the information shall be disregarded and use may be made, in accordance with Article 18 of the basic Regulation, of the facts available. If an interested party does not cooperate, or cooperates only partially, and findings are therefore based on facts available in accordance with Article 18 of the basic Regulation, the result may be less favourable to that third party than if it had cooperated.

**9. Schedule of the expiry review investigation**

The expiry review investigation will be concluded, according to Article 11(5) of the basic Regulation within 15 months of the date of the publication of this notice in the *Official Journal of the European Union*.

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<sup>(1)</sup> This means that the document is for internal use only. It is protected pursuant to Article 4 of Regulation (EC) No 1049/2001 of the European Parliament and of the Council (OJ L 145, 31.5.2001, p. 43). It is a confidential document pursuant to Article 19 of Council Regulation (EC) No 384/96 (OJ L 56, 6.3.1996, p. 1) and Article 6 of the WTO Agreement on Implementation of Article VI of the GATT 1994 (Anti-dumping Agreement).