

## Notice of initiation of an expiry review of the anti-dumping measures applicable to imports of certain ring binder mechanisms originating in the People's Republic of China

(2002/C 21/08)

Following the publication of a notice of impending expiry <sup>(1)</sup> of the anti-dumping measures in force on imports of certain ring binder mechanisms ('RBM') originating in the People's Republic of China ('country concerned'), the Commission has received a request for a review pursuant to Article 11(2) of Council Regulation (EC) No 384/96 <sup>(2)</sup>, as last amended by Regulation (EC) No 2238/2000 <sup>(3)</sup> ('the basic Regulation').

### 1. Request for review

The request was lodged on 24 October 2001 by the following Community producers: Koloman Handler AG and Krause Ringbuchtechnik GmbH ('the complainants') representing a major proportion, in this case more than 80 %, of the total Community production of ring binder mechanisms. This request did not concern the other country mentioned in the notice of impending expiry, Malaysia.

### 2. Product

The product under review is RBM originating in the People's Republic of China. They consist of two rectangular steel sheets or wires with at least four half-rings made of steel wire fixed on it and which are kept together by a steel cover. They can be opened either by pulling the half-rings or by using a small steel-made trigger mechanism fixed to the RBM ('the product concerned'). RBM are currently classifiable within CN code ex 8305 10 00. This CN code is given only for information.

### 3. Existing measures

The measures currently in force on the product concerned are a definitive anti-dumping duty imposed by Council Regulation (EC) No 119/97 <sup>(4)</sup>, as amended by Regulation (EC) No 2100/2000 <sup>(5)</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 on the basis of the price in an appropriate market economy country, which is mentioned in point 5(1)(c) of this notice. The allegation of continuation of dumping is based on a comparison of normal value, as set out in the preceding sentence, with the export price of the product concerned to the Community.

On this basis, the dumping margin calculated is significant.

The applicant has provided evidence that imports of the product concerned from the People's Republic of China have continued to enter the Community in significant quantities.

The fact that the penetration of the Community market by Chinese imports of significant quantities and at dumped prices continued during the period of imposition of measures implies that, in all likelihood, it would continue or recur should measures expire.

Furthermore, the applicant points out that during the period of imposition of measures, the exporters/producers of the product concerned from the People's Republic of China undermined the remedial effect of the existing measures via absorption practices, as set out in Council Regulation (EC) No 2100/2000.

Concerning injury aspects, the applicant alleges that, despite the measures in force, the penetration of imports of the product concerned in significant quantities has contributed to the fragility of the state of the Community industry, as shown by the drop in the market share held by the Community industry, and the adverse effects on the overall performance and the financial situation of the Community industry. Constant or increased import volumes at dumped prices would, in all likelihood result in a further material deterioration of the state of the industry, if the measures were to be removed.

### 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 investigation 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) Questionnaires

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the Community industry and to any association of producers in the Community, to the exporters/producers in the People's Republic of China to any association of exporters/producers, to the importers, to any association of importers named in the request or which cooperated in the investigation leading to the measures subject to the present review, and to the authorities of the exporting country concerned.

<sup>(1)</sup> OJ C 122, 25.4.2001, p. 2.

<sup>(2)</sup> OJ L 56, 6.3.1996, p. 1.

<sup>(3)</sup> OJ L 257, 11.10.2000, p. 2.

<sup>(4)</sup> OJ L 22, 24.1.1997, p. 1.

<sup>(5)</sup> OJ L 250, 5.10.2000, p. 1.

In any event, all parties should contact the Commission forthwith by fax in order to find out whether they are listed in the request and, if necessary, request a questionnaire within the time limit set in point 6(a)(i), given that the time limit set in point 6(a)(ii) of this notice applies to all interested parties.

(b) *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.

(c) *Selection of the market economy country*

The Commission envisages to use India as an appropriate market economy country for the purpose of establishing normal value in respect of the People's Republic of China in accordance with Article 2(7) of the basic Regulation. Interested parties are hereby invited to comment on the appropriateness of this country within the specific time limit set in point 6(b) 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 or recurrence of dumping and injury is confirmed, a decision will be reached as to whether to maintain the anti-dumping 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 points 6(a)(ii) and 6(a)(iii) of this notice, make themselves known and provide the Commission with information and request a hearing. 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 Communities*.

(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 Communities*, 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.

(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 for the selection of the market economy country*

Parties to the investigation may wish to comment on the appropriateness of India which, as mentioned in point 5(1)(c) 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. These comments must reach the Commission within 10 days of the date of publication of this notice in the *Official Journal of the European Communities*.

## 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.

Commission address for correspondence:

European Commission  
Directorate-General for Trade  
Directorates B and C  
TERV — 0/13  
B-1049 Brussels  
Fax (32-2) 295 65 05  
Telex: COMEU B 21877.

## 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 of the facts available.