COMMISSION DECISION

of 10 April 1980

accepting undertakings given in connection with the anti-dumping proceedings concerning certain filament lamps for lighting exceeding 28 volts, originating in Czechoslovakia, the German Democratic Republic, Hungary and Poland, and terminating those proceedings

(80/410/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

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

After hearing the opinions expressed by the Advisory Committee set up under that Regulation,

Whereas in June 1978 the Commission received a complaint lodged by the Liaison Organization for the European Mechanical, Electrical and Engineering Industries and Metal Working Industries (Orgalime) on behalf of almost all the Community manufacturers of General Lighting Services (GLS) electric light bulbs exceeding 28 volts ; whereas the complaint contained evidence of the existence of dumping in respect of like products originating in Czechoslovakia, the German Democratic Republic, Hungary and Poland, and of material injury resulting therefrom ;

Whereas the said evidence was sufficient to justify initiating an investigation ;

Whereas the Commission accordingly announced, by a notice published in the *Official Journal of the European Communities* (2), the initiation of proceedings concerning imports of certain filament lamps for lighting exceeding 28 volts originating in Czechoslovakia, the German Democratic Republic, Hungary and Poland, and commenced an investigation of the matter at Community level ;

Whereas the Commission officially so advised the exporters and imports known to be concerned ;

Whereas the Commission has given the parties directly concerned the opportunity to make known their views in writing and to be heard orally, and to meet so that opposing views might be presented and rebuttal arguments put forward ;

Whereas the majority of the parties concerned have taken this opportunity ;

Whereas, in order to arrive at a preliminary determination of the dumping margin and injury, the Commission carried out investigations at the premises of the great majority of exporters' agents and importers, including : in Belgium, Beldal SA (Brussels), Massive NV (Mortsel), and SAB Tungsram (Brussels) ; in France, Neff et Meyer (Strasbourg) and Cofrinec (Gentilly) ; in the Federal Republic of Germany, August Töpfer GmbH (Hamburg), Tungsram GmbH (Frankfurt), and L. Q. Licht (Hanau) ; in Ireland, Terra Nova Ltd (Dublin) ; in Italy, M. Metzmacher (Milan), Veneta Motori SNC (Padova), and Luxelectron (Reggiolo) ; and in the United Kingdom, J. J. Bustin and Co. (London), Sunbeam Lamps and Lighting Ltd (Leeds), and Sifcon International Ltd (London) ; whereas the Commission contacted a number of other agents and importers ; whereas the Commission also carried out investigations at the premises of the main complainant Community producers, viz. in Belgium, GTE Sylvania NV (Zellik) ; in France, the Compagnie des Lampes SA (Paris) ; in the Federal Republic of Germany, Osram GmbH (Munich) ; in Ireland, Solus Ltd (Bray) ; in Italy, FILE SpA (Lecco) ; in the Netherlands, NV Philips Gloeilampenfabrieken (Eindhoven) and in the United Kingdom, GEC Lamps and Lighting Ltd (London) and Thorn Lighting Ltd (London) ;

Whereas, in order to establish whether the above mentioned imports were dumped, the Commission had to take into account the fact that Czechoslovakia, the German Democratic Republic, Hungary and Poland are not market economy countries ;

Whereas, for that reason, the Commission had to base its calculations on the normal value in a market economy country ; whereas in that connection, the complaint had suggested the Austrian, Finnish, Greek, Portuguese and Spanish domestic markets ;

(1) OJ No L 339, 31. 12. 1979, p. 1.
(2) OJ No C 211, 5. 9. 1978, p. 2.

Whereas in the course of the discussions with the exporters concerned, the comparability of the Austrian, Finnish, Greek and Portuguese markets was contested because the Greek and Portuguese GLS light bulb industries differed considerably in scale of production and technology and because the prices of the Austrian and Finnish electric light bulb industries were unrepresentative because of their particular market situation ; whereas a comparison with the price of GLS electric light bulbs on the Spanish domestic market appeared reasonable at least for the purposes of a preliminary determination of dumping, since the scale of production and the technology are similar and prices seemed to be representative ; whereas, however, the Polish and Hungarian exporters claimed that their manufacturing processes, scale of production and technology were more comparable with the GLS electric light bulb industry in the United States of America ; whereas this argument was accepted for Hungary and a comparison was made with prices on the American domestic market as far as like products existed ; whereas for Poland this claim seemed unreasonable, and a comparison was, therefore, made with Spanish domestic market prices ;

Whereas all price comparisons for the preliminary assessment of dumping were made at ex-factory level for the first quarter of 1979, as the prices at the beginning of the investigation period were outdated ;

Whereas, to take due account of the differences affecting price comparability, the maximum discounts for bulk orders and cash payment, and sales and services costs borne by the Spanish and American manufacturers, were deducted from their prices ; whereas the Spanish prices were adjusted to take account of the import duties paid on imports of raw materials ; whereas account was taken of the difference between first brands and second brands ;

Whereas the above preliminary examination of the facts shows the existence of dumping in respect of the imports considered in the investigation, the dumping margin being equal to the amount by which the normal value as established above exceeds the price at which the goods are exported to the Community ; whereas the margin varies depending on the type of bulb, the exporting country, and the importing Member State ; whereas for standard bulbs of 25 to 60 watts, which are the commonest types, these margins fell mostly within a range of 0·016 to 0·05 EUA per piece ;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that imports into the Community of the electric light bulbs in question originating in the countries covered by the investigation rose from approximately 41·8 million units in 1975 to 70·4 million units in 1978, and reached 32·4 million units in the first six months of 1979 ;

Whereas, in the absence of separate production and import figures relating to GLS electric light bulbs alone, it is difficult to gauge exactly the size of the Community market for such bulbs ; whereas, nevertheless, the best information available suggests that for 1979 the market shares held by imports of GLS electric light bulbs originating in the countries covered by the investigation were 7·5 % in the Community, 25 % in Belgium, 17 % in Denmark, 4 % in France, 10 % in Ireland, 15 % in Italy, 14 % in the Federal Republic of Germany (excluding inter-German trade), 2 % in the Netherlands and 4 % in the United Kingdom ;

Whereas the resale prices in the Community of GLS bulbs originating in the countries in question undercut those of like bulbs produced by Community manufacturers mostly within a range up to 50 % ;

Whereas the consequent impact on the Community industry, whose volume of production has been almost stagnant since 1976, is characterized by a depression of Community prices or prevention of price increases which otherwise would have occurred, making it impossible in some instances to cover production costs ;

Whereas most of the Community firms are consequently making considerable losses or considerably reduced profits on the GLS bulbs covered by the procedure and the profitability of the GLS electric light bulb industry as a whole is, therefore, at risk ; whereas, although it is difficult to calculate exactly the numbers employed directly in the manufacture of these bulbs, the best information available suggests that there has been a fall from approximately 7 000 in 1974/75 to approximately 6 700 in 1978/79 ;

Whereas this decrease can be attributed not only to the dumped imports, but also to increased automation ;

Whereas injuries caused by other factors which could adversely affect the Community industry, such as the volume and prices of other imports, or stagnation of demand, have been examined, and any adverse effects caused by these factors have not been attributed to the imports under consideration ;

Whereas, in view of the foregoing, the preliminary examination of the facts shows that dumping exists, and that there is sufficient evidence of consequent injury ;

Whereas the Commission, after having examined the Community producers' and importers' prices, costs, profitability and marketing conditions, has determined the import prices necessary to eliminate the injury caused ;

Whereas the exporters and agents concerned were informed of the main findings of the preliminary investigation and commented on them; whereas undertakings were consequently offered concerning imports from Czechoslovakia, (Kovo Foreign Trade Corporation, Prague), the German Democratic Republic (Heim-Electric Volkseigener Aussenhandelsbetrieb, Berlin), Hungary (Tungsram United Incandescent Lamp and Electrical Co., Budapest), and Poland (Unitra Foreign Trade Company, Warsaw);

Whereas the effect of the said undertakings will be to increase import prices into the Community to a level necessary to eliminate injury; whereas the said increases take account not only of the differences noted in the course of investigations between the prices charged by the various exporting countries, but also of the particular situation of the industry in the different Member States; whereas these increases in no case exceed the dumping margin and are generally below this level;

Whereas the Commission has, therefore, determined that it is not now necessary to take protective action in respect of imports from countries having entered into such undertakings;

Whereas the Commission will ensure that the undertakings are strictly complied with, in particular by carrying out periodically the necessary checks and inspections;

Whereas the decision to accept these undertakings may be reconsidered should the Commission discover that they are failing to eliminate the injury;

Whereas in these circumstances, the undertakings offered are considered acceptable and the proceedings may therefore be terminated without imposition of anti-dumping duties,

HAS DECIDED AS FOLLOWS:

Article 1

The Commission hereby accepts the undertakings given in connection with the anti-dumping proceedings concerning filament lamps for lighting exceeding 28 volts [1], originating in Czechoslovakia, the German Democratic Republic, Hungary and Poland.

Article 2

The anti-dumping proceedings concerning imports of filament lamps for lighting exceeding 28 volts, originating in Czechoslovakia, the German Democratic Republic, Hungary and Poland are hereby terminated.

Done at Brussels, 10 April 1980.

For the Commission

Étienne DAVIGNON

Member of the Commission

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[1] NIMEXE code 85.20-15; Common Customs Tariff subheading ex 85.20 A.