COMMISSION DECISION

of 23 May 1980

accepting undertakings given in connection with the anti-dumping proceedings concerning certain stainless steel bars originating in Brazil and terminating those proceedings

(80/531/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 European Economic Community (1), and in particular Article 10 thereof,

After consultations within the Advisory Committee set up under that Regulation,

Whereas in November 1979 the Commission received a complaint lodged by the British Independent Steel Producers' Association (Bispa) on behalf of all the Community manufacturers of stainless steel bars, containing evidence of the existence of dumping in respect of like products originating in Brazil 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 stainless steel bars originating in Brazil and commenced an investigation of the matter at Community level ;

Whereas the Commission officially so advised the exporters and importers known to be concerned as well as representatives of the exporting country and the complainants ;

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 of making known their views in writing ;

Whereas, in order to arrive at a preliminary determination of the dumping margin and injury, the Commission carried out on-the-spot investigations at the premises of the main Brazilian exporters, including Acos Villares SA (São Paulo), Acos Finos Piratini SA (Porto Alegre) and Inter Bras Petrobras Comercio Internaciónal SA (Rio de Janeiro), and the main United Kingdom importers, including Amari World Steel Ltd (London), GME Steels Ltd (Macclesfield) and G. M. Elders Steels (Sheffield) ; whereas the Commission contacted a number of other agents and importers and also sought and verified all information it deemed to be necessary from the main Community producers concerned, namely the United Kingdom producers, including Spartan Redheugh Ltd (Sheffield), Firth Vickers Special Steels Ltd (Sheffield), Osborn Steels Ltd (Sheffield) and British Steel Corporation (Rotherham) ;

Whereas, for purposes of the preliminary assessment of dumping by Brazilian producers, the Commission compared the prices of their exports to the Community with those prevailing on the Brazilian market ;

Whereas the comparisons were made on the basis of weighted averages at ex-factory level for sales from 1 December 1978 to 30 November 1979, taking into account, at the request of Acos Finos Piratini and Acos Villares, differences in conditions of sale directly related to the sales in question, with regard to transport costs, technical assistance and salesmen's commission and salaries ;

Whereas the above preliminary examination of the facts shows the existence during the reference period of dumping in respect of the imports considered in the investigation, the dumping margin varying from 0 to 72 % according to the quality and size of the bars, but generally ranging around 30 % ;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that imports into the Community of stainless steel bars originating in Brazil rose from about three tonnes in 1975, to 120 tonnes in 1978 and 1 267 tonnes in 1979 ; whereas these imports are concentrated almost entirely on the market of the United Kingdom (which produces a large part of the Community output), having risen from about three tonnes in 1975, to 120 tonnes in 1978 and 1 167 tonnes in 1979 ;

(1) OJ No L 339, 31. 12. 1979, p. 1.
(2) OJ No C 317, 18. 12. 1979, p. 3.

Whereas, in 1979, the imports in question attained a market share of 3 % in the Community and 17 % in the United Kingdom and therefore had a considerable influence on the United Kingdom market, while constituting a real threat to other Community producers ;

Whereas, according to the information available to the Commission, the prices of the imported product substantially undercut the prices of the same product manufactured by Community producers ; whereas in November 1979, for example, the price to the distributor in the United Kingdom of stainless steel bars originating in Brazil was 10 to 30 % lower than the prices charged by domestic producers ;

Whereas the consequent impact on the Community industry has taken the form of stagnation of production and sales at a level of 4 000 tonnes, the loss of about 3 000 jobs since 1975 and a depression of prices, making it impossible in most cases to cover production costs ; whereas, for this reason, the United Kingdom undertakings concerned are making substantial losses ;

Whereas injuries caused by other factors which could adversely affect the Community industry, such as the volume of other imports, which have been steadily contracting, or the prices of such imports, or the 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 material injury ;

Whereas the exporters concerned were informed of the main findings of the preliminary investigation and commented on them ; whereas undertakings were subsequently offered in the form of the fixing of prices at a level sufficient to eliminate dumping but without exceeding the dumping margin ;

Whereas the Commission has, therefore, determined that it is not now necessary to take protective action in respect of imports originating in Brazil ;

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 certain stainless steel bars of subheading ex 73.15 B V of the Common Customs Tariff (NIMEXE codes 73.73-53, ex 83), originating in Brazil.

Article 2

The anti-dumping proceedings concerning imports of certain stainless steel bars originating in Brazil are hereby terminated.

Done at Brussels, 23 May 1980.

For the Commission

Henk VREDELING

Vice-President