II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 27 August 1980

accepting undertakings in connection with the anti-dumping proceedings concerning imports of studded welded-link chain, originating in Spain and Sweden and terminating those proceedings

(80/783/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 Articles 9 and 10 thereof,

After consulting the Advisory Committee set up under that Regulation,

Whereas on 8 November 1979 the Commission received a complaint lodged by the majority of the Community producers of studded welded-link chain which contained evidence of the existence of dumping in respect of the like product, originating in Spain and Sweden and of material injury resulting therefrom ;

Whereas the evidence was sufficient to justify the initiation of an investigation ;

Whereas the Commission accordingly announced the initiation of proceedings concerning imports of studded welded-link chain, originating in Spain and Sweden (2) and commenced an investigation of the matter at Community level ;

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

Whereas the Commission gave 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 made use of the opportunity to make known their views in writing and to be heard orally ;

Whereas, for the purposes of a preliminary determination of the dumping margin and of injury, the Commission sought and verified all information it deemed necessary and made on the spot investigations of two Swedish producers, Ljusne Kätting AB, Ljusne and Bulten Kanthal AB, Ramnäs Bruk Division, Ramnäs, and two Spanish producers, Vicinay SA, Bilbao and Cadenas y Forjados SA, Las Arenas (Vizcaya), and one major importer in the United Kingdom, Beal & Son Ltd, Cardiff, contacted other importers in the Community and met on various occasions with Community producers as well as with representatives of the European Association of Anchor Chain Manufacturers ;

Whereas account was also taken of information submitted by a third Swedish producer ;

(1) OJ No L 339, 31. 12. 1979, p. 1.
(2) OJ No C 303, 4. 12. 1979, p. 5.

Whereas, for the preliminary examination of dumping by the Spanish producers, the Commission compared their export prices to the Community with domestic prices on the Spanish market;

Whereas, for these comparisons, representative or weighted average ex-factory prices were used for 1979, and account has been taken, in so far as requested, of differences in steel qualities used for the production of studded welded-link chain and of differences in the terms and conditions of sale bearing a direct relationship to the sales under consideration, in particular, of differences in payment terms, transport and ancillary costs;

Whereas the preliminary examination of the facts shows the existence of dumping during the investigation period in respect of imports from one Spanish producer, Vicinay SA, Bilbao, the weighted average margin of which is 5 %; whereas no dumping was found in respect of imports from the other producer, Cadenas y Forjados SA, Las Arenas (Vizcaya);

Whereas with respect to Sweden, account had to be taken of the fact that in 1979 sales on the Swedish market by the two producers concerned were made at a loss; whereas, therefore, the Commission constructed the normal value on the basis of cost information provided by these producers and took account of overheads and a profit margin of 6 %, considered reasonable in view of previous performance and the present market situation;

Whereas account has been taken of the fact that one of the Swedish producers of chain belongs to the same corporate group as one of its main suppliers of steel bars; whereas, however, upon further verification the Commission's services were satisfied that the prices involved in these transactions were comparable to those involved in transactions between other parties which have no such link;

Whereas the normal value thus established was compared with representative or weighted average export prices to the Community in 1979, due allowance being made for differences in steel qualities used for the production of studded welded-link chain and of differences in the terms and conditions of sale, bearing a direct relationship to the sales under consideration, in particular, of differences in transport and ancillary costs;

Whereas the preliminary examination of the facts shows the existence of dumping in respect of imports from the two Swedish producers, the dumping margins being equal to the amount by which the constructed normal values exceed the weighted average prices at which the products were exported to the Community in 1979;

Whereas the weighted average dumping margins thus calculated amount to 15 % for the one and 10 % for the other Swedish producer;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that imports into the Community of studded welded-link chain from Spain and Sweden have increased from 3 261 tonnes in 1977 to 7 207 in 1979; whereas, however, account has been taken of the fact that imports of second-hand chain, which do not directly affect and are not in direct competition with sales of new chain by the Community producers, are included in the above figures;

Whereas the fact that a substantial amount of chain is used outside the Community for drilling-platforms or for mooring purposes, makes it impossible to calculate exactly the consumption inside the Community as well as the market shares held by the various exporters; whereas, however, the information available suggests that the market share inside the Community, held by imports of studded welded-link chain, originating in Spain and Sweden, rose from approximately 17 % in 1977 to approximately 48 % in 1979;

Whereas the prices at which those imports were sold were very low, thus forcing all Community producers to align their prices downwards; whereas offers at very low prices which did not result in actual sales have had the same effect;

Whereas the consequent impact on the Community industry takes the form principally of a loss of production, a loss of market share and a depression of Community prices at a time at which the Community industry is already faced with serious difficulties as a result of the general market situation; whereas, for example, Community production fell from approximately 18 730 tonnes in 1977 to approximately 8 885 tonnes in 1979, the market share in the Community held by Community producers fell from 74 % in 1977 to 23 % in 1979, and necessary price increases were prevented, thus forcing all Community producers to sell below their production costs;

Whereas two French producers ceased the production of studded welded-link chain in 1978 and 1979, and one British producer has recently been forced to stop its production as well, with a consequent adverse effect on employment; whereas most of the other producers make considerable losses on their sales;

Whereas the Commission has examined whether injuries were caused by other factors which have adversely affected the Community industry; whereas the volume of non-dumped imports was negligible; whereas, however, demand in the shipbuilding and offshore industries declined, resulting in world-wide overproduction capacity; whereas the adverse effects caused by this latter factor 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 findings of the investigation and commented on them; whereas undertakings were subsequently offered by all exporters who had been found to be dumping;

Whereas the effect of these undertakings will be to increase export prices into the Community to levels eliminating but not exceeding the dumping margins;

Whereas the Commission has therefore determined that it is not now necessary to take protective action in respect of imports originating in Spain and Sweden and has decided to accept the undertakings offered and to terminate the proceedings without the imposition of anti-dumping duties,

HAS DECIDED AS FOLLOWS:

Article 1

The Commission hereby accepts the undertaking given in connection with the anti-dumping proceedings concerning studded welded-link chain [1] originating in Spain or Sweden.

Article 2

The anti-dumping proceedings concerning imports of studded welded-link chain originating in Spain or Sweden are hereby terminated.

Done at Brussels, 27 August 1980.

For the Commission

Étienne DAVIGNON

Member of the Commission

[1] Common Customs Tariff subheading: 73.29 B II A 1
NIMEXE code: 73.29-41.