COMMISSION

COMMISSION DECISION

of 18 May 1981

accepting an undertaking given in connection with the anti-dumping proceedings concerning louvre doors originating in Malaysia and Singapore and terminating the proceedings

(81/366/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 hearing the opinion expressed by the Advisory Committee set up under that Regulation,

Whereas, in September 1980, the Commission received a complaint lodged by Patco Louvres Ltd and Staffwoods Ltd on behalf of the EEC manufacturers representing almost all the Community production of louvre doors; whereas the complaint contained evidence of the existence of dumping in respect of like products originating in Malaysia and Singapore 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 louvre doors originating in Malaysia and Singapore, 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 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 arguments put forward in rebuttal;

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 verified all information it deemed to be necessary and carried out investigations at the premises of the principal producers and exporters, including, in Malaysia, Syarikat Malaysia Wood Industries (Sungai Petani) and, in Singapore, Chuan Soon Huat, Golden Wood Products PTE Ltd and Master Timber Industries PTE Ltd; whereas the Commission contacted a number of agents and importers; whereas the Commission also carried out investigations at the premises of the main complainant Community producers, namely, in the United Kingdom, Patco Louvres Ltd, Thetford, Norfolk, and Staffwoods Ltd, Wolverhampton;

Whereas for all the producers concerned there were no sales of the like product in the ordinary course of trade on their domestic markets and the normal value was, therefore, based on the constructed value, that is the costs in the ordinary course of trade of materials, manufacture and overheads in Singapore and Malaysia plus a 10 % margin for profit considered to be reasonable; whereas to determine the existence of dumping by Malaysian and Singaporean producers a comparison was made of their export prices to the Community with their respective normal values; whereas these comparisons were made at the ex-factory stage for sales during the period 1 November 1979 to 31 December 1980;

Whereas it emerged from this examination that Malaysian export prices to the Community were not lower than the corresponding constructed value;

Whereas consequently no dumping existed in the case of exports from Malaysia of the product in question to the Community;

[1] OJ No L 339, 31. 12. 1979, p. 1.
[2] OJ No C 286, 9. 11. 1980, p. 4.

Whereas in these circumstances it is appropriate to terminate the proceedings concerning imports of louvre doors originating in Malaysia ;

Whereas in Singapore the results of the preliminary investigation at the companies concerned were as follows :

— with respect to Chuan Soon Huat and Golden Wood PTE Ltd the comparison of their export prices with their respective constructed values showed that there was no dumping ;

— with respect to Master Timber Industries PTE Ltd it was found that their raw materials were bought from their associated company at prices which could not be considered as being in the ordinary course of trade and that for certain other costs there was no substantiating evidence ; the constructed value was therefore based on the evidence which could be substantiated, with a best estimate on the facts available being made for the other costs. The price comparison of the constructed value and Master Timber's export prices to the Community showed that there were dumping margins ranging up to 30 %. Exports had also been offered to a United Kingdom importer at dumping margins of up to 40 % ;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that total imports into the Community of the louvre doors in question sold by Master Timber Industries PTE Ltd rose from approximately 233 000 units in 1979 to 450 000 units in 1980 ; whereas there was also evidence that Master Timber Industries had contracted to sell approximately 100 000 pieces to a United Kingdom importer at dumped prices and had offered unlimited quantities at even higher dumping margins ;

Whereas, in the absence of separate production and import figures relating to louvre doors alone, it is difficult to gauge exactly the size of the Community market for such units ; whereas, nevertheless, the best information available suggests that the total Community market has remained relatively static from 1978 to 1980 ; whereas the market share held by imports of louvre doors originating in Singapore in the United Kingdom rose from 9 % in 1979 to 24 % in 1980 ; whereas Master Timber Industries PTE Ltd accounted for approximately 50 % of these imports ;

Whereas the resale prices in the Community of dumped louvre doors originating in Singapore undercut those of like units produced by Community manufacturers by up to 34 % ;

Whereas the consequent impact on the Community industry is characterized by depression of Community prices or prevention of price increases which otherwise would have occurred ;

Whereas most of the Community firms are consequently making considerably reduced profits on louvre doors and the profitability of this industry as a whole is, therefore, at risk ; whereas the best information available suggests that since 1979 there has been a reduction of 15 % in the numbers employed directly in the manufacture of louvre doors ; whereas furthermore the number of hours worked in the Community industry has been reduced by between 34 and 40 % ;

Whereas injury caused by other factors which could adversely affect the Community industry has been examined and it was found that amounts exported by Malaysian and Singaporean producers other than Master Timber Industries PTE Ltd were generally considerably lower than the shipments made by Master Timber and that in most cases the prices of the other producers were higher ; whereas it has been established that the dumped imports in themselves have consequences which have to be considered as material injury ;

Whereas, in view of the foregoing, the preliminary examination of the facts shows that dumping of louvre doors by Master Timber Industries PTE Ltd exists, and that there is sufficient evidence of consequent material injury which could worsen in view of the unlimited quantities which this company was prepared to export at dumped prices ;

Whereas the exporter concerned was informed of the main findings of the preliminary investigation and commented on them ; whereas an undertaking was consequently offered by Master Timber Industries PTE Ltd (Singapore) concerning imports from Singapore ;

Whereas the effect of the said undertaking will be to increase import prices into the Community to a level necessary to eliminate dumping ; whereas these increases in no case exceed the dumping margin ;

Whereas the Commission has, therefore, determined that it is not now necessary to take protective action in respect of imports from Master Timber Industries PTE Ltd ;

Whereas, in these circumstances, the undertaking offered is considered acceptable and the proceeding concerning Singapore may, therefore, be terminated without imposition of anti-dumping duties,

HAS DECIDED AS FOLLOWS:

Article 1

The Commission hereby accepts the undertaking given in connection with the anti-dumping proceeding concerning louvre doors [1] originating in Singapore.

Article 2

The anti-dumping proceedings concerning imports of louvre doors originating in Malaysia and Singapore are hereby terminated.

Done at Brussels, 18 May 1981.

For the Commission

Wilhelm HAFERKAMP

Vice-President

[1] NIMEXE code ex 44.23-51; Common Customs Tariff heading No ex 44.23.