COMMISSION DECISION

of 15 June 1981

terminating the anti-dumping proceeding concerning imports of certain seamless tubes of non-alloy steels originating in Spain

(81/430/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 9 thereof,

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

Whereas in August 1979 the Commission received a complaint lodged by the Comité de Liaison de l'Industrie du Tube d'Acier de la Communauté Européenne, on behalf of the German and United Kingdom producers of seamless steel tubes, whose collective output constitutes the major part of the total Community production of the product in question; whereas the complaint contained evidence on the one hand of dumping and subsidization in respect of seamless steel tubes of non-alloy steels, falling within NIMEXE codes 73.18-13, 23, 27, 28, 72 and 74 originating in Spain and on the other hand of material injury resulting therefrom;

Whereas, since there was sufficient evidence to justify initiating a proceeding, the Commission accordingly announced by a notice published in the *Official Journal of the European Communities* [2] the initiation of a proceeding concerning imports into the Community of seamless steel tubes, falling within the NIMEXE codes in question and originating in Spain, and commenced an investigation of the matter at Community level;

Whereas since the examination of the facts showed the existence on the one hand of a countervailable subsidy on exports to the Community of the product in question originating in Spain, and on the other hand of injury resulting from their entry for consumption in the Community and the interests of the Community called for intervention, the Council, by Regulation (EEC) No 3072/80 [3] imposed a definitive countervailing duty on seamless steel tubes of non-alloy steels falling within NIMEXE codes 73.18-13, 23, 27, 28, 72 and 74, originating in Spain;

Whereas, as regards the question of dumping and of injury resulting therefrom, the Commission sought to obtain and verify all information it deemed to be necessary and carried out inspections at the premises in Spain of the various firms involved in the production and export of the product in question, namely: Babcock and Wilcox Espanola SA (Bilbao), Tubos Reunidos SA (Bilbao), Tubexport (Bilbao), which acts as the joint export company for the two former firms, and Tubacex Comercial SA (Bilbao), which exports material produced by Tubacex SA (Llodio, Alva); whereas the Commission also carried out inspections at the premises of the major German and UK firms and associations represented by the complainant, namely: in Germany, Mannesmann Röhren-Werke AG (Düsseldorf), Eienwerkgesellschaft Maximilianshütte mbH (Sülzbach-Rosenberg), Neunkircher Eisenwerk AG (Homburg), and the Stahlrohrverband eV (Düsseldorf); in the United Kingdom, British Steel Corporation Tubes Division (Corby, Northamptonshire), TI Tube Division Services Ltd (Birmingham), and TI Weldless Ltd (Wolverhampton); whereas all the importers known to be concerned are stockholders; whereas the competition between Spanish and Community producers takes place at the level of sale to stocholders, with the result that the latters' resale prices and intermediate costs are not relevant for the purpose of determining injury; whereas in these circumstances the Commission did not feel it essential to carry out any inspection at the premises of these importers;

Whereas, in order to determine the margin of dumping the Commission examined a representative sample of export shipments for the period October 1978 to September 1979, and in addition made an exhaustive analysis of export shipments during the months of June and October 1979; whereas these export prices were each compared, on an ex-factory basis, with the prices charged on the exporter's domestic market at the same time for a similar type and dimension of tube;

[1] OJ No L 339, 31. 12. 1979, p. 1.
[2] OJ No C 264, 19. 10. 1979, p. 2.
[3] OJ No L 322, 28. 11. 1980, p. 30.

Whereas the exporters claimed that the export price ex-works should be adjusted upwards by the amount of the export tax rebate paid to them by the Spanish authorities on the fob value of the exported product; whereas, for the purposes of determining the dumping margin, and without prejudice to the question of whether that tax rebate constituted an export subsidy, that request was granted;

Whereas the above calculations showed that dumping had taken place; whereas during the period October 1978 to October 1979, the margin varied from 0 % to 79·15 % of the export price; whereas in June 1979 the weighted average dumping margin was 24·3 %, and in October 1979 25·18 %;

Whereas, with regard to injury to the Community industry, the Commission has already finally determined in its examination of the question of subsidization that, due consideration having been given to the other factors having a bearing on the situation of the industry, the imports in question were causing or threatening to cause material injury to the Community industry concerned;

Whereas, however, the injury attributable to subsidization has now been eleiminated by the imposition of a countervailing duty of 11·75 %; whereas, prior to that duty, in October 1979, Spanish seamless tube was, on average, selling at 12·6 % below the price of comparable Community produced tube in Germany, and 17·36 % below in the United Kingdom; whereas, consequently, a large part of the margin of price undercutting should now have been eliminated;

Whereas, moreover, Community imports of Spanish seamless tube have fallen sharply since the end of 1979; whereas in 1979 these stood at 40 688 tonnes, of which 23 021 tonnes were imported into Germany and 7 265 tonnes into the United Kingdom; whereas in the first six months of 1980 imports into Germany and the United Kingdom were, respectively 5 369 tonnes and 3 179 tonnes;

Whereas in the period July to November 1980 only 425 tonnes were imported into Germany, and in the period July to December 1980 only 861 tonnes into the United Kingdom;

Whereas the Commission has therefore concluded that the existence of dumping as distinct from subsidization is not in itself a source of material injury to the Community industry; whereas it is consequently not necessary to take protective measures against dumping in addition to those already in force against the subsidy which has been determined to exist;

Whereas in these circumstances it is appropriate to terminate, in respect of the dumping aspect, the proceeding concerning imports of certain seamless tube of non-alloy steels originating in Spain,

HAS DECIDED AS FOLLOWS:

Sole Article

The anti-dumping proceeding concerning imports of certain seamless tubes of non-alloy steels originating in Spain is hereby terminated.

Done at Brussels, 15 June 1981.

For the Commission

Wilhelm HAFERKAMP

Vice-President