COMMISSION DECISION

of 18 May 1982

accepting an undertaking offered by the Czechoslovakian producer and terminating the anti-dumping procedure concerning oxalic acid originating in Czechoslovakia, Hungary and the German Democratic Republic

(82/335/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 consultation within the Advisory Committee set up under that Regulation;

Whereas in August 1981 the Commission received a complaint from the European Council of Chemical Manufacturers' Federations representing almost all Community production of oxalic acid; whereas the complaint contained evidence of the existence of dumping in respect of like products originating in China, Czechoslovakia, the German Democratic Republic and Hungary and of material injury resulting therefrom;

Whereas the said evidence was sufficient to justify initiating a procedure;

Whereas the Commission accordingly announced, by a notice published in the *Official Journal of the European Communities* [2] the initiation of a procedure concerning imports of oxalic acid originating in China, Czechoslovakia, the German Democratic Republic and Hungary 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 preliminary examination of the facts showed the existence of dumping and resultant injury in respect of the imports originating in China and Czechoslovakia, the lowest dumping margin being equal to 29·2 %;

Whereas, since the interests of the Community called for immediate intervention in order to prevent further injury being caused during the procedure the Commission, by Regulation (EEC) No 171/82 [3], imposed a provisional anti-dumping duty on imports of oxalic acid originating in China and Czechoslovakia;

Whereas in its preliminary investigation the Commission established that imports into the EEC of oxalic acid from the German Democratic Republic and from Hungary accounted for a small percentage of EEC consumption during the reference period; whereas injury, if any, sustained by the EEC producers and attributable to these imports was considered minimal;

Whereas the Commission accordingly excluded imports of oxalic acid originating in the German Democratic Republic and Hungary from the application of the provisional duty;

Whereas in its subsequent investigation no additional information has been received by the Commission regarding imports of oxalic acid from these countries;

Whereas in these circumstances it is appropriate to terminate the procedure concerning imports of oxalic acid originating in the German Democratic Republic and Hungary;

Whereas in the course of the subsequent examination of the matter, completed after the imposition of the provisional anti-dumping duty, the interested parties had the opportunity to make known their views in writing, to be heard by the Commission and to develop their views orally, to inspect non-confidential information relevant to the defence of their interests and to be informed of the essential facts and considerations on the basis of which it was intended to make a final determination; whereas the complainants and the exporters concerned availed themselves of these possibilities by making known their views in writing and orally in order to update the information originally received;

Whereas representatives of one exporter, on request, availed themselves of the opportunity given to them to meet representatives of all the Community producers;

[1] OJ No L 339, 31. 12. 1979, p. 1.
[2] OJ No C 241, 19. 9. 1981, p. 11.
[3] OJ No L 19, 27. 1. 1982, p. 26.

Whereas the Commission has carried out inspections at the premises of a number of importers from whom no information was available during the preliminary investigation, notably Arnold Suhr (Antwerp) and Metallurgie Hoboken-Overpelt (Hoboken) in Belgium ;

Whereas as regards the subsequent investigation relating to imports of the product concerned from Czechoslovakia no evidence was obtained to show that the price in Spain, on which the determination of normal value was based, had decreased since the date of the preliminary determination of the dumping margin ;

Whereas the Commission, in calculating the dumping margin, took into account additional and updated information received by it during the subsequent investigation regarding exports of oxalic acid to the Community from Czechoslovakia ; whereas comparisons between the Czechoslovakian export prices to the Member States concerned and the normal value were made on the same basis as in the abovementioned Regulation imposing the provisional duty as it applied to imports of oxalic acid originating in Czechoslovakia ;

Whereas all such exports were made at dumped prices, the average dumping margin being 23·9 % ;

Whereas in the course of the subsequent investigation of injury the following new information was received :

— imports into the Community of the oxalic acid in question originating in China and Czechoslovakia rose from approximately 2 696 tonnes in 1978 to 11 464 tonnes in 1980 and are estimated to have reached 5 087 tonnes in 1981,

— the market share held by such imports in the Community was approximately 17 % in 1978, rising to approximately 57 % in 1980, and is estimated to have reached 46 % in 1981,

— production of oxalic acid in the Community fell from 14 740 tonnes in 1979 to 7 670 tonnes in 1980 and to 6 025 tonnes in 1981,

— capacity utilization fell from 67 % in 1979 to 34 % in 1980 and to an estimated 26 % in 1981,

— sales by Community producers fell by more than 68 % from 1979 to 1981 ;

Whereas, as regards the other aspects of injury, no new information has been received since the preliminary determination ;

Whereas the Commission has considered the injury caused by other factors which individually or in combination may also be affecting the Community industry ; whereas the apparent consumption of oxalic acid in the Community fell from approximately 16 000 tonnes in 1978 and 1979 to 11 100 tonnes in 1981, while during the same period, Chinese and Czechoslovakian exporters increased their market share ; whereas imports of oxalic acid originating in other third countries have been in small or insignificant quantities to which injury could not be attributed ; whereas, although production methods and raw materials differ between the Community and the Czechoslovakian producers, such differences were not considered to be such as to affect the result of the investigation ; whereas under these circumstances the dumped imports from Czechoslovakia together with the imports from China are definitively considered to have caused material injury to the Community industry ;

Whereas two users of Czechoslovakian oxalic acid have argued that any price increase of this product would have a negative impact on their processing industries ; whereas, however, in view of the degree of dumping, the injury resulting therefrom and the Community industry affected, the Commission considers that the protection of the Community's interests calls for action by the Community ;

Whereas during the subsequent investigation the Czechoslovakian exporter was informed of the essential facts and considerations on the basis of which it was intended to take definitive action ;

Whereas the Czechoslovakian exporter has voluntarily undertaken to increase its prices to a level which eliminates the injurious effects of its exports to the Community ;

Whereas the Commission considers this undertaking acceptable and the proceedings concerning Czechoslovakia may, therefore, be terminated without imposition of a definitive anti-dumping duty,

HAS DECIDED AS FOLLOWS :

Article 1

The Commission hereby accepts the undertakings offered in connection with the anti-dumping procedure concerning imports of oxalic acid, falling within Common Customs Tariff subheading ex 29.15 A I and corresponding to NIMEXE code ex 29.15-11, originating in Czechoslovakia.

Article 2

The anti-dumping procedure concerning imports of oxalic acid originating in Czechoslovakia, the German Democratic Republic and Hungary is hereby terminated.

Done at Brussels, 18 May 1982.

For the Commission
Wilhelm HAFERKAMP
Vice-President