COMMISSION DECISION

of 10 August 1984

accepting undertakings given in connection with the anti-dumping proceeding concerning imports of certain kraft liner paper and board originating in Spain and terminating that proceeding

(84/407/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2176/84 of 23 July 1984 on protection against dumped or subsidized imports from countries not members of the European Economic Community [1], and in particular Article 10 thereof,

After consultation within the Advisory Committee as provided for under the above Regulation,

Whereas :

A. Procedure

(1) On 21 August 1982 the Commission announced [2] that it had commenced a review of the anti-dumping proceeding concerning imports of kraft liner paper and board originating in Austria, Canada, Finland, Portugal, the USSR, Sweden and the United States of America.

(2) On 10 March 1983 the Council imposed a definitive anti-dumping duty on kraft liner paper and board originating in the United States of America and accepted undertakings concerning exports from Austria, Canada, Finland, Portugal, the USSR and Sweden [3].

(3) In December 1983 the Commission received a supplementary complaint lodged by the Groupement européen des fabricants de papiers pour ondulé on behalf of the Community producer of kraft liner paper and board, whose output constitutes all Community production of the product in question. The complaint contained evidence of dumping and of material injury resulting therefrom, which was considered sufficient to justify the initiation of a proceeding. The Commission accordingly announced, by a notice published in the *Official Journal of the European Communities* [4], the initiation of an anti-dumping proceeding concerning imports into the Community of certain kraft liner paper and board originating in Spain and falling within subheading ex 48.01 C II of the Common Customs Tariff, corresponding to NIMEXE codes 48.01-30, 32 and ex 34.

(4) The Commission officially so advised the exporters and importers known to be concerned and the representatives of the exporting country and the complainants and gave the parties directly concerned the opportunity to make known their views in writing and to request a hearing.

(5) All of the known producers and exporters and some importers made their views known in writing. The two Spanish exporters requested and have been granted a hearing.

(6) Submissions were made on behalf of Community processors of kraft liner paper and board.

(7) The Commission sought and verified all information it deemed to be necessary for the purposes of a preliminary determination and carried out investigations at the premises of the following :

— La Cellulose du Pin SA, Bordeaux, France,

— Industrias del Papel y de la Celulosa SA, Barcelona, Spain,

— Celulosas del Nervion SA, Durango, Spain.

(8) The investigation of dumping covered the calendar year 1983.

B. Normal value

(9) The normal value was determined on the basis of the weighted average ex-works selling price on the Spanish domestic market. The investigation showed that these domestic prices covered all production costs.

C. Export price

(10) Export prices were determined on the basis of the prices actually paid or payable for kraft liner paper and board sold for export to the Community.

D. Comparison

(11) In comparing normal value with export prices the Commission took account, where appropriate, of differences affecting price comparability ; this was the case for conditions and terms of sale where such differences could be satisfactorily demonstrated. These differences concerned in particular

[1] OJ No L 201, 30. 7. 1984, p. 1.
[2] OJ No C 217, 21. 8. 1982, p. 2.
[3] OJ No L 64, 10. 3. 1983, p. 25.
[4] OJ No C 21, 28. 1. 1984, p. 2.

credit terms, transport, insurance, handling, loading and duties. All comparisons were made at ex-works level.

E. Margins

(12) The above preliminary examination of the facts shows the existence of dumping in respect of Industrias del Papel y de la Celulosa SA, Barcelona, and Celulosas del Nervion SA, Durango, the margin of dumping being equal to the amount by which the normal value as established exceeds the price for export to the Community.

(13) These margins vary according to the exporter, the importing Member State and the grammage of the kraft liner concerned, the weighted average margin for each exporter being as follows :

— Industrias del Papel y de la Celulosa SA : 10,0 %

— Celulosas del Nervion SA : 8,2 %

F. Injury

(14) The Community industry in respect of which the dumped imports must be assessed is the sole producer of kraft liner paper and board in the Community namely La Cellulose du Pin SA.

(15) With regard to the injury caused by the dumped imports, the evidence available to the Commission shows that imports into the Community from Spain of kraft liner paper and board increased from 33 165 tonnes in 1981 to 36 740 tonnes in 1983. The market share increased from 1,4 to 1,7 % in the same period. The market share held by all dumped imports, i.e. those originating in Austria, Canada, Finland, Portugal, Spain, Sweden, the USA and the USSR, consequently amounted to 73 %. The weighted average resale prices of these imports undercut the prices of the Community producer during the investigation period by up to 16 %.

(16) Although the situation of the sole Community producer had improved as a result of the action taken by the Council at the beginning of 1983, this producer was nevertheless faced with price disruption on the Community market caused by the price undercutting of Spanish imports, which were jeopardizing the overall minimum price system established by the Council.

G. Community interest

(17) Community processing industries have argued that the extension of the protective measures to include Spain would not be in the Community's interest because it would make them less competitive. The Commission has come to the conclusion that it is in the Community's interest that action be taken in order to prevent the overall minimum price system established by the Council from being jeopardized by low-priced Spanish imports.

H. Undertakings

(18) The exporters concerned were informed of the main findings of the preliminary investigation and commented on them. Undertakings were subsequently offered by Industrias del Papel y de la Celulosa SA and Celulosa del Nervion SA concerning their exports of kraft liner paper and board to the Community.

The effect of these undertakings will be to increase export prices to the Community to the level which the Commission, having taken into account, on the one hand, the selling prices necessary to provide an adequate return to Community producers and, on the other hand, the purchase price of the Community importers and their costs and profit margin, considered necessary to eliminate injury. These increases in no case exceed the dumping margins found in the investigation.

In these circumstances, the undertakings offered are considered acceptable and the proceeding may, therefore, be terminated without imposition of anti-dumping duties.

(19) No objection to this course was raised in the Advisory Committee,

HAS DECIDED AS FOLLOWS :

Article 1

The undertakings given by Industrias del Papel y de la Celulosa SA and Celulosas del Nervion SA in connection with the anti-dumping proceeding concerning imports of certain kraft liner paper and board originating in Spain and falling within subheading ex 48.01 C II of the Common Customs Tariff, corresponding to NIMEXE codes 48.01-30, 32 and ex 34, are hereby accepted.

Article 2

The anti-dumping proceeding referred to in Article 1 is hereby terminated.

Done at Brussels, 10 August 1984.

For the Commission

Étienne DAVIGNON

Vice-President