COMMISSION DECISION

of 1 March 1989

closing the anti-dumping proceedings concerning imports into Spain of choline chloride originating in Belgium

(IV/AD/87/1 — Choline chloride)

(89/172/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal, and in particular Article 380 (1) thereof,

Having regard to Council Regulation (EEC) No 812/86 of 14 March 1986 on protection against imports which are the subject of dumping between the Community of Ten and the new Member States or between the new Member States during the period throughout which the transitional measures laid down by the Act of Accession of Spain and Portugal apply [1], and in particular Article 5 (8) thereof,

Having consulted the Member States concerned in accordance with Article 8 (3) of Regulation (EEC) No 812/86,

Whereas :

A. PROCEDURE

In a notice published in the *Official Journal of the European Communities* [2], the Commission announced that, after consulting the Member States, it had decided to initiate anti-dumping proceedings concerning imports into Spain of choline chloride originating in Belgium.

The product concerned is 75 % liquid choline chloride falling within CN code 2923 10 10, manufactured and exported to Spain by Union Chimique Belge SA and imported into Spain by the Spanish company Indukern SA.

The proceedings were initiated following a complaint that choline chloride exports from Belgium to Spain were being carried out at dumping prices, thus causing injury to a sector of the Spanish economy. The complaint was based on Article 4 of Regulation (EEC) No 812/86.

The complaint was lodged by Algry SA, which manufactures all the choline chloride produced in Spain ; it was supported by Ertisa SA, the sole Spanish producer of trimetilamine (a base product used in the production of choline chloride).

Pursuant to Article 5 (1) (b) of Regulation (EEC) No 812/86, the Commission advised interested Member States, the complainant and the exporter and importer concerned and, in accordance with the provisions of paragraph 1 (c) of that Article, commenced an investigation to determine whether the Spanish complainant's allegations were well-founded and justified intervention on its part.

The Commission gave interested parties the opportunity to make known their views in writing and to request a hearing.

In order to obtain all the information which it deemed necessary, the Commission sent a questionnaire to the Spanish complainant, the Belgian exporter and the Spanish importer, in order to establish whether there was a dumping margin and injury.

The three companies replied to the questionnaire. At their request, the Belgian exporter, the complainant and Ertisa SA were heard orally.

No comments were received from other interested parties.

The investigation covered the period from 1 January to 31 August 1987.

B. DUMPING

The investigation revealed that there had indeed been dumping during the investigation period, since the ex-factory price actually paid for the product sold for export to Spain was considerably below the ex-factory price charged by Union Chimique Belge SA for the same product on the domestic market.

C. INJURY

The volume of 75 % choline chloride imports from Belgium has increased significantly since the accession of Spain, from 0 in 1984 and 1985 to 954 tonnes in 1986 and 2 257 tonnes in 1987. By contrast, imports of the product from the other Member States, which amounted to 190 tonnes in 1984 and 287 tonnes in 1985, increased to only 318 tonnes in 1986 and fell to a mere 83 tonnes in 1987.

[1] OJ No L 78, 24. 3. 1986, p. 1.
[2] OJ No C 255, 25. 9. 1987, and corrigendum in OJ No C 279, 17. 10. 1987.

The dumped imports have led to a fall in choline chloride prices on the Spanish market. Since the complainant made efforts to maintain its production and its market share of choline chloride in Spain, notably by reducing its selling prices, the injury suffered is mainly in the complainant's profitability; however, it is also reflected in a decline in its market share in Spain.

D. RECOMMENDATION

On 18 July 1988, after consulting the Member States concerned, the Commission, acting in accordance with Article 8 (1) of Regulation (EEC) No 812/86, addressed a recommendation to Union Chimique Belge SA that dumping be terminated. The recommendation calls for compliance with a minimum price for choline chloride exports to Spain for sale on the Spanish market.

E. UNDERTAKING

By letter dated 5 August 1988, Union Chimique Belge SA undertook to comply with the Commission's recommendation within the period it laid down.

Consequently, in accordance with Article 5 (8) of Regulation (EEC) No 812/86, the proceedings may be closed without the Commission having to authorize Spain to introduce anti-dumping duties in respect of the exporter concerned,

HAS DECIDED AS FOLLOWS:

Sole Article

The anti-dumping proceedings concerning imports into Spain of choline chloride originating in Belgium are hereby closed.

Done at Brussels, 1 March 1989.

For the Commission

Sir Leon BRITTAN

Vice-President