COMMISSION

COMMISSION DECISION

of 6 February 2009

terminating the anti-dumping proceeding concerning imports of certain hot-dipped metallic-coated iron or steel flat-rolled products originating in the People's Republic of China

(2009/106/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 384/96 of 22 December 1995 on protection against dumped imports from countries not members of the European Community [1] (the 'basic Regulation'), and in particular Article 9 thereof,

After consulting the Advisory Committee,

Whereas:

1. PROCEDURE

1.1. Initiation of the proceeding

(1) On 14 December 2007, the Commission initiated, by a notice published in the *Official Journal of the European Union* [2] ('notice of initiation'), an anti-dumping proceeding concerning imports into the Community of certain hot-dipped metallic-coated iron or steel flat-rolled products, i.e.:

— flat-rolled products of iron or non-alloy steel, plated or coated with zinc and/or with aluminium (excluding electrolytically plated or coated with zinc) normally declared within CN codes 7210 41 00, 7210 49 00, 7210 61 00, 7210 69 00, 7212 30 00, 7212 50 61 and 7212 50 69,

— flat-rolled products of alloy steel, of a width of 600 mm or more, plated or coated with zinc and/or aluminium (excluding of stainless steel, of silicon-electrical steel, of products not further worked than hot-rolled or cold-rolled (cold-reduced) and of products electrolytically plated or coated with zinc) normally declared within CN codes 7225 92 00 and ex 7225 99 00, and

— flat-rolled products of alloy steel, of a width of less than 600 mm, plated or coated with zinc and/or aluminium (excluding of stainless steel, of silicon-electrical steel, of high-speed steel, of products not further worked than hot-rolled or cold-rolled (cold-reduced) and of products electrolytically plated or coated with zinc) normally declared within CN codes 7226 99 30 and ex 7226 99 70,

originating in the People's Republic of China ('the product concerned').

(2) The anti-dumping proceeding was initiated following a complaint lodged on 30 October 2007 by EUROFER ('the complainant') on behalf of producers representing a major proportion, in this case more than 25 %, of the total Community production of certain hot-dipped metallic-coated iron or steel flat-rolled products.

1.2. Parties concerned and verification visits

(3) The Commission officially advised the exporting producers in the People's Republic of China ('PRC') and their association, the importers/users known to be concerned, the representatives of the exporting country concerned, producers in potential analogue countries and all known Community producers of the initiation of the proceeding. The interested parties were given the opportunity to make their views known in writing and to request a hearing within the time limit set out in the notice of initiation.

(4) In view of the high number of Chinese exporting producers, Community producers and importers, sampling was envisaged in the notice of initiation for the determination of dumping, in accordance with Article 17 of the basic Regulation.

(5) In order to allow exporting producers in the PRC to submit a claim for market economy treatment ('MET') and/or individual treatment ('IT'), if they so wished, the Commission sent claim forms to the exporting producers known to be concerned and to the authorities of the PRC.

[1] OJ L 56, 6.3.1996, p. 1.
[2] OJ C 302, 14.12.2007, p. 24.

(6) The Commission sent questionnaires to all parties known to be concerned and received replies from seven sampled Chinese exporting producers, from six Community producers, from three importers, from seven Community users and one Brazilian producer (Brazil served as analogue country). Seven Community users associations also made their views known in writing. All parties who so requested within the time limit set and indicated that there were particular reasons why they should be heard were granted a hearing.

(7) The Commission sought and verified all the information it deemed necessary for the purpose of MET and for the determination of dumping, resulting injury and Community interest. Verification visits were carried out at the premises of the following companies:

(a) Community Industry producers:

— Hellenic Steel Co., Thessaloniki, Greece,

— Ilva SpA, Milano, Italy,

— Salzgitter AG, Salzgitter, Germany,

— Thyssenkrupp Steel AG, Duisburg, Germany.

(b) Other Community producers:

— Corus UK Ltd., Newport, United Kingdom,

— ArcelorMittal Piombino S.p.A., Piombino, Italy.

(c) Exporting producers in the PRC:

— Changshu Xingdao Advanced Building Material Co., Changshu,

— Changshu Everbright Material Technology Co., Changshu,

— Bengang Steel Plates Co, Benxi,

— BX Steel Posco Cold Rolled Sheet Co. Ltd., Benxi,

— Angang Group International Trade Corporation, Anshan and its related company Angang Group Hong Kong Co., Ltd. in Hong Kong,

— ANSC-TKS Galvanizing Co., Dallian,

— International Economics & Trading Corporation WISCO, Wuhan and its related company Wugang Trading Co. Ltd. in Hong Kong.

(d) Unrelated importers:

— Duferco SA, Lugano, Switzerland.

(8) In view of the need to establish a normal value for exporting producers in the PRC to which MET might not be granted, a verification to establish normal value on the basis of data from an analogue country, Brazil in this case, took place at the premises of the following company:

(e) Producer in analogue country:

— ArcelorMittal Vega, São Francisco do Sul, Brazil.

1.3. **Investigation period**

(9) The investigation of dumping and injury covered the period from 1 December 2006 to 30 November 2007 (the 'investigation period' or 'IP'). The examination of trends relevant for the assessment of injury covered the period from 1 January 2004 to the end of the IP ('the period considered').

1.4. **Interim Report and subsequent procedure**

(10) On 15 September 2008 the Commission disclosed to interested parties an Interim Report setting out its provisional findings with respect to this proceeding, i.e. the fact that the investigation established provisionally the existence of dumping but not that of material injury and underlined the need to investigate further the aspect of possible threat of injury. On the basis of the provisional findings it was considered appropriate not to impose any provisional anti-dumping duty but to continue the investigation. All parties were given an opportunity to submit relevant evidence and comments on the provisional findings. The parties who so requested were also granted the opportunity to be heard. The Commission continued to seek and verify all information it deemed necessary for its definitive findings.

2. **WITHDRAWAL OF THE COMPLAINT AND TERMINATION OF THE PROCEEDING**

(11) By a letter dated 11 December 2008 and addressed to the Commission, the complainant formally withdrew its complaint. According to the complainant, this withdrawal was prompted by the recent market turbulence. In view of these conditions the complainant does not want to pursue its case on volume-based threat of injury which was based on an analysis of historic data that no longer fully reflect the current market conditions. According to the complainant, it is preferable to respond in these circumstances to unfair injurious trade practices, should they occur, by way of a fresh case instead of this case which cannot fully address the totality of the issues that the Community industry must now face.

(12) The complainant also argued that, taking into account the recent changes in the Chinese export stimuli plan, the Chinese exports will once again surge. In view of the above danger the complainant requested that the Commission actively monitor imports of the product concerned and be ready to open a new proceeding at short order. Finally, the complainant emphasized that it would be in the interest of China to closely monitor future exports of the product concerned ensuring responsible behaviour of Chinese exporters on the international steel market.

(13) It should be noted that the current situation with respect to the product concerned both in the EC and in China is characterized by an unprecedented change of the fundamental economic considerations. While in these circumstances it is difficult to make reasoned assumptions as to the development of the market in the short to medium-term it would also seem that the economic situation is volatile and that the appearance of injurious dumping cannot be entirely excluded. It is therefore considered appropriate to monitor, in the near future, imports into the EC of the product concerned originating in the PRC. The monitoring period should not exceed 24 months from the publication of the termination of the present proceeding. The Commission does not rule out the opening of a new investigation concerning the same product if and when evidence is provided that points to injurious dumping, in line with the requirements set out in the relevant provisions of Article 5 of the basic Regulation.

(14) In accordance with Article 9(1) of the basic Regulation, the proceeding may be terminated where the complaint is withdrawn unless such termination would not be in the Community interest.

(15) In this respect it is noted that the above analysis of the current situation with respect to the product concerned and any possible new investigation in the future do not put into question the complainant's action to withdraw. Therefore, the Commission considered that the present proceeding should be terminated since the investigation had not brought to light any consideration showing that such termination would not be in the Community interest. Interested parties were informed accordingly and were given the opportunity to comment. However, no comments which could alter this decision were received.

(16) The Commission therefore concludes that the anti-dumping proceeding concerning imports into the Community of certain hot-dipped metallic-coated iron or steel flat-rolled products originating in the PRC should be terminated without the imposition of anti-dumping measures,

HAS DECIDED AS FOLLOWS:

Sole Article

The anti-dumping proceeding concerning imports of certain hot-dipped metallic-coated iron or steel flat-rolled products i.e.:

— flat-rolled products of iron or non-alloy steel, plated or coated with zinc and/or with aluminium (excluding electrolytically plated or coated with zinc) normally declared within CN codes 7210 41 00, 7210 49 00, 7210 61 00, 7210 69 00, 7212 30 00, 7212 50 61 and 7212 50 69,

— flat-rolled products of alloy steel, of a width of 600 mm or more, plated or coated with zinc and/or aluminium (excluding of stainless steel, of silicon-electrical steel, of products not further worked than hot-rolled or cold-rolled (cold-reduced) and of products electrolytically plated or coated with zinc) normally declared within CN codes 7225 92 00 and ex 7225 99 00, and

— flat-rolled products of alloy steel, of a width of less than 600 mm, plated or coated with zinc and/or aluminium (excluding of stainless steel, of silicon-electrical steel, of high-speed steel, of products not further worked than hot-rolled or cold-rolled (cold-reduced) and of products electrolytically plated or coated with zinc) normally declared within CN codes 7226 99 30 and ex 7226 99 70,

originating in the People's Republic of China, is hereby terminated.

Done at Brussels, 6 February 2009.

For the Commission
Catherine ASHTON
Member of the Commission