COMMISSION REGULATION (EEC) No 2757/76

of 12 November 1976

imposing a provisional anti-dumping duty on cycle chains originating in Taiwan

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Regulation (EEC) No 459/68 of 5 April 1968 on protection against dumping or the granting of bounties or subsidies by countries which are not members of the European Economic Community (1), modified by Regulation (EEC) No 2011/73 (2), and in particular Article 15 thereof,

Having heard the opinions expressed within the Advisory Committee set up by this Regulation,

Whereas the Commission has received a complaint, submitted in the name of the Community industry for cycle chains, setting out elements of proof as to the existence of dumping practices, bounties or subsidies, for like products, originating in Taiwan, as well as material injury resulting therefrom;

Whereas, having examined the admissibility of the complaint, the Commission published in the *Official Journal of the European Communities* of 7 August 1976 (3) a notice of the initiation of an enquiry concerning imports of bicycle chains originating in Taiwan (4), based in particular on Regulation (EEC) No 459/68;

Whereas during the subsequent examination of the matter in collaboration with the Member States, the Commission endeavoured to compare the Taiwanese export prices to the Community with, on the one hand, prices on the Taiwanese home market, in so far as it had received conclusive data, and, on the other hand, allowance being made for the particular situation of the Taiwanese market for the products concerned, with the costs of production in Taiwan, plus a reasonable amount for administration, selling and any other costs, and for profits;

Whereas these comparisons have been made at the ex-factory level and in respect of dates as nearly as possible at the same time, and allowance having been made for the differences affecting the comparability of these prices and costs;

Whereas this preliminary examination of the matter shows Taiwanese exports are effected at dumping prices, with the exception of certain deliveries carried out at prices which may be considered as normal; whereas the dumping margin which has been provisionally determined is at least 15 % and in many cases is considerably higher;

Whereas there is, moreover, a very strong presumption as to the granting of production and export subsidies to the Taiwanese industry;

Whereas there are elements of proof available as to the effect of these practices on the market situation of the Community which show that imports of these products originating in Taiwan have considerably increased, since, having been almost non-existent until 1971, they increased from 1·5 million metres in 1974 to almost 3·1 million metres in 1975;

Whereas, moreover, these products are offered for sale in the Community market at prices which exercise a depressive effect on the prices applied by Community producers of like products;

Whereas, as a result of this, the imports concerned have been able to acquire a market share, which, according to the information which the Commission has available, is almost 15 % on average in the Community, and 30 % in some of the markets more particularly affected;

Whereas this development has taken place to the detriment of the Community industry, where production has decreased by approximately 30 % from 1974 to 1975, resulting in redundancies, redeployment and short-time working for the personnel concerned;

Whereas there are, therefore, adequate elements of proof to show that, due allowance having been made for the other factors having a bearing on the situation of this industry, as for example, the very considerable decrease of Community exports and the pressure being exercised by imports of other origin, the dumped imports are causing or threatening to cause material injury to the Community industry;

Whereas, in these circumstances, and having regard in particular to the increase in the rate of growth of exports to the Community of cycle chains from Taiwan, the interests of the Community call for immediate intervention;

(1) OJ No L 93, 17. 4. 1968, p. 1.
(2) OJ No L 206, 27. 7. 1973, p. 3.
(3) OJ No C 183, 7. 8. 1976, p. 4.
(4) Common Customs Tariff heading No ex 73.29; Nimexe code ex 73.29-11.

Whereas, as a result, a provisional anti-dumping duty of 15 % should accordingly be imposed on imports of the products in question originating in Taiwan ;

Whereas, for administrative reasons, the basis of assessment for this provisional duty should correspond to the definition of the Nimexe nomenclature, that is, in this case, to Code No 73.29-11 which covers cycle and motorcycle chains ;

Whereas imports effected at prices equal to, or higher than, 1·39 units of account per kilogramme should be excluded from the application of this provisional duty, that is, in practice, exports of cycle chains effected at prices which may be considered as normal, and also imports of motorcycle chains at prices which are normally higher,

HAS ADOPTED THIS REGULATION :

Article 1

A provisional anti-dumping duty of 15 % on articulated link roller chains for cycles and motor cycles, falling within Common Customs Tariff heading No ex 73.29 and corresponding to Nimexe Code No 73.29-11, originating in Taiwan, with the exception of those whose price cif free at Community frontier, not customs cleared, is equal to, or higher than, 1·39 units of account per kilogramme, is hereby imposed.

Article 2

The entry of the products described in Article 1 for Community consumption shall be conditional upon the deposit of security for the amount of the provisional duty.

Article 3

This Regulation shall enter into force on the 10th day following its publication in the *Official Journal of the European Communities.*

Without prejudice to the provisions of Articles 16 and 18 of Regulation (EEC) No 459/68 it shall apply until the entry into force of an Act of the Council setting out either the adoption of definitive measures or the extension of the provisional duty and for a maximum period of three months.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 12 November 1976.

For the Commission

Finn GUNDELACH

Member of the Commission