COMMISSION REGULATION (EEC) No 3171/80

of 4 December 1980

repealing a national anti-dumping duty on saccharin and its salts originating in the Republic of Korea imposed under the transitional provisions of the Act of Accession

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 Community [1], and in particular Article 14 thereof,

After consultation within the Advisory Committee set up under that Regulation,

Whereas in October 1979 the Commission received a request to review a national anti-dumping duty imposed by the United Kingdom under the transitional provisions of Section VI (1) of Annex VII to the Act of Accession on exports to the United Kingdom of saccharin and its salts originating in the Republic of Korea ; whereas such review was warranted ;

Whereas the Commission accordingly announced by a notice published in the *Official Journal of the European Communities* [2] the initiation of a review proceeding and commenced a review of the national anti-dumping duty ;

Whereas the Commission officially so advised the exporters and importers known to be concerned as well as the representatives of the exporting country ;

Whereas the Commission has given the parties directly concerned the opportunity to make known their views in writing, to be heard orally and to meet so that opposing views might be presented and rebuttal arguments put forward ;

Whereas most of the importing parties and all the exporting parties concerned have taken this opportunity ;

Whereas in the course of the review the Commission sought and verified all information it deemed necessary and carried out investigations at the premises of the principal producers and exporters in the Republic of Korea, namely Choheung Chemical Industrial Co. Ltd (Seoul), Jeil Moolsan Co., Inc. (Seoul), Kedong Industrial Co. Ltd (Seoul) and Kum Yang Co. Ltd (Seoul) ;

Whereas when reviewing the existence of dumping by the Korean producers and exporters it was concluded on the basis of the information obtained that the prices of saccharin and its salts on the domestic market in the Republic of Korea in 1979 did not permit recovery of all costs ordinarily incurred in their production ; whereas, therefore, these sales were considered as not having been made in the normal course of trade ; whereas, therefore, the normal value was determined on the basis of the comparable prices of the like product when exported to a third country ; whereas, to review the extent of dumping, the export prices to the Community were compared with the weighted averages of each exporters sales to Australia or the United States of America in 1979 and the first quarter of 1980 ;

Whereas, to ensure the export prices and the normal value were on a comparable basis, allowance was made where appropriate, for differences claimed in respect of the conditions and terms of sale on each market and in particular for differences in the costs of credit and packaging ;

Whereas the examination of the facts showed that in 1979 dumping existed only in respect of exports to the Community by Kedong Industrial Co. Ltd, the margin of dumping being 9·4 % ; whereas the examination also showed that in the first quarter of 1980 dumping existed in respect of all the Korean exporters' sales to the Community, the dumping margins varying from 1·9 to 4·2 % ;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that the market share of imports of saccharin and its salts from the Republic of Korea in the Community decreased from 46·5 % in 1976 to 41·8 % in 1979 ; whereas, however, following the imposition of the UK national duty, the market share of Korean imports in the United Kingdom decreased in the same period from 11·8 to 1·1 % ;

Whereas the resale prices of the products imported into the United Kingdom from the Republic of Korea were substantially lower than those of the Community producer ;

Whereas the consequent impact of these imports on the Community industry, together with dumped imports from China and the United States of America is characterized by a fall in production, by low capacity utilization and by a loss of market share

(1) OJ No L 339, 31. 12. 1979, p. 1.
(2) OJ No C 303, 4. 12. 1979, p. 4.

between 1976 and 1979 leading to a reduction of profits or to losses during the same period ;

Whereas injuries caused by other factors which could adversely affect the Community industry, such as the volume and prices of other imports or the overall demand for saccharin and its salts have been examined in the review and any adverse effects caused by these factors have not been attributed to the imports under consideration ;

Whereas, in view of the foregoing, the review shows the continued existence of dumping in respect of imports of saccharin and its salts from the Republic of Korea, and that there is sufficient evidence of consequent material injury ;

Whereas the Korean exporters were informed of the findings of the review ; whereas undertakings were subsequently offered by these exporters in respect of exports to the United Kingdom ; whereas the effect of these undertakings will be to increase export prices to the United Kingdom to levels eliminating but not exceeding the margins of dumping ;

Whereas the Commission, having regard to the capacity of the Community producer, has therefore determined that it is not now necessary to take protective action in respect of imports originating in the Republic of Korea and has decided to accept the undertakings offered and to terminate the review without the imposition of anti-dumping duties ;

Whereas, in the light of the abovementioned undertakings, the Commission has concluded that the national anti-dumping duty imposed by the United Kingdom under the transitional provisions of the Act of Accession on exports into the United Kingdom of saccharin and its salts originating in the Republic of Korea is not now necessary,

HAS ADOPTED THIS REGULATION :

Article 1

The undertakings given by the Korean exporters in respect of exports of saccharin and its salts [1] to the United Kingdom are hereby accepted.

Article 2

The anti-dumping duty of £ 0·5511 per kilogram imposed under the transitional provisions of the Act of Accession on exports to the United Kingdom of saccharin and its salts originating in the Republic of Korea [2] is hereby repealed.

Article 3

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

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

Done at Brussels, 4 December 1980.

For the Commission

Wilhelm HAFERKAMP

Vice-President

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[1] CCT subheading 29.26 A I ; NIMEXE code 29.26-11.
[2] The Anti-Dumping and Countervailing Duties Order 1973 (SI 1973/2037).