COMMISSION REGULATION (EEC) No 14/88

of 23 December 1987

imposing a provisional anti-dumping duty on imports of roller chains for cycles originating in the People's Republic of China

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 [1] on protection against dumped or subsidised imports from countries not members of the European Economic Community, as amended by Regulation (EEC) No 1761/87 [2], and in particular Article 10 (6) thereof,

After consultations within the Advisory Committee established by that Regulation,

Whereas :

A. Procedure

(1) Following a complaint from the Fachverband Fahrrad- und Kraftradteile-Industrie eV the Commission published a notice in the *Official Journal of the European Communities* [3] announcing the initiation of an anti-dumping proceeding concerning imports into the Community of 1/2" × 1/8" roller chain for cycles, corresponding to combined nomenclature code ex 7315 11 10 (from 1 January 1988), originating in the Soviet Union and the People's Republic of China ; it then commenced investigations.

(2) Following the investigation, which established the existence of dumping and injury [4], one Chinese exporter, the China National Light Industrial Products Import and Export Corporation. Beijing, and the Soviet exporter offered price undertakings.

(3) The Chinese first undertook to raise its export prices by an amount sufficient to eliminate the injury caused by dumping [5].

(4) In July 1987 the Commission was informed that 1/2" × 1/8" roller chains for cycles originating in the People's Republic of China and produced by the China National Light Industrial Products Import and Export Corporation, Beijing, were being imported into the Federal Republic of Germany at very low prices, suggesting that the price undertaking was being violated.

The Commission studied the information submitted to it and granted the Chinese exporting company a hearing.

B. Violation of the Undertaking

(5) The Commission initially checked the allegation against the official statistics available.

The company did not dispute the statistics, but said it could not control the activities of its various subsidiaries in China. However, in offering the price undertaking accepted by the Commission, the company promised to comply with a given delivered price, free-at-Community frontier, not only on its own account but also through its subsidiaries, branches and agents.

The company also argued that it could not be held responsible for resale of the goods to the Community from other third countries, notably Hong Kong. The undertaking, however, included a promise that the necessary steps would be taken to see that it was not circumvented by means of resale of the company's products from other countries. The Commission has evidence that the exporter invoiced consignments to the Community via Hong Kong at prices lower than those stipulated in the undertaking.

(6) The company also violated the undertaking by failing to report to the Commission periodically giving details of quantities exported to the Community, unit prices and total value. It said it was unable to fulfil this obligation.

C. Reopening of proceeding

(7) The Commission considers that in the circumstances the facts should be reviewed. It has therefore reopened the investigation.

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(1) OJ No L 201, 30. 7. 1984, p. 1.
(2) OJ No L 167, 26. 6. 1987, p. 9.
(3) OJ No C 235, 5. 9. 1984, p. 9.
(4) OJ No L 217, 14. 8. 1985, p. 7. Regulation (EEC) No 2317/85, 12 August 1985.
(5) OJ No L 40, 15. 2. 1986, p. 27. Decision 86/33/EEC, 13 February 1986.

D. **Provisional measures**

(8) In the light of the evidence available to it the Commission considers that exports from the China National Light Industrial Products Import and Export Corporation, Beijing, of 1/2" x 1/8" roller chains for cycles originating in the People's Republic of China should be made subject to an anti-dumping duty, and that it is in the interests of the Community to impose a provisional anti-dumping duty forthwith on all imports of 1/2" x 1/8" roller chains originating in the People's Republic of China.

E. **Rate of duty**

(9) In accordance with Article 10 (6) of Regulation No 2176/84, the anti-dumping duty should be set, on the basis of the facts established before acceptance of the undertaking, at a rate equivalent to the amount by which the net price per metre, free-at-Community frontier, before duty, falls below 0,56 ECU, in conformity with Council Regulation (EEC) (1) No 338/86,

HAS ADOPTED THIS REGULATION:

Article 1

The undertaking accepted by Commission Decision 86/33/EEC (2) is hereby withdrawn.

Article 2

1. A provisional anti-dumping duty is hereby imposed on imports of 1/2" x 1/8" roller chains for cycles, corresponding to combined nomenclature code ex 7315 11 10, originating in the People's Republic of China and produced by the China National Light Industrial Products Import and Export Corporation, Beijing

2. The duty shall be equal to the amount by which the free-at-Community frontier net price per meter, before duty, falls below 0,56 Ecu.

The free-at-Community frontier prices shall be net prices where the terms of sale are such that payment is to be made within thirty days of the date of delivery. They shall be increased or reduced by 1 % for each month by which this period is shortened or lengthened.

3. The provisions in force concerning customs duties shall apply.

4. The release for free circulation in the Community of the products referred to in paragraph 1 shall be subject to payment of a security equivalent to the amount of the provisional duty.

Article 3

Without prejudice to Article 7 (4) (b) and (c) of Regulation (EEC) No 2176/84, interested parties may make known their views in writing and apply to be heard by the Commission within one month of the entry into force of this Regulation.

Article 4

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities*. Subject to Articles 11, 12 and 14 of Regulation (EEC) No 2176/84, it shall apply for four months, unless the Council adopts definitive measures before the expiry that period.

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

Done at Brussels, 23 December 1987.

For the Commission

Willy DE CLERCQ

Member of the Commission

(1) OJ No L 40, 15. 2. 1986, p. 25.
(2) OJ No L 40, 15. 2. 1986, p. 27.