I

(Acts whose publication is obligatory)

COUNCIL REGULATION (EC) No 564/2005

of 8 April 2005

amending Regulation (EC) No 1601/2001 imposing a definitive anti-dumping duty and definitively collecting the provisional anti-dumping duty imposed on imports of certain iron or steel ropes and cables originating in the Czech Republic, Russia, Thailand and Turkey

THE COUNCIL OF THE EUROPEAN UNION,

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 11(3) thereof,

Having regard to the proposal submitted by the Commission after consulting the Advisory Committee,

Whereas:

A. PREVIOUS PROCEDURE

(1) On 5 May 2000, the Commission initiated an anti-dumping proceeding [2] on imports of certain iron or steel ropes and cables originating, *inter alia*, in Turkey.

(2) This proceeding ultimately resulted in a definitive anti-dumping duty being imposed by Council Regulation (EC) No 1601/2001 [3] in order to eliminate the injurious effects of dumping.

B. REQUEST FOR AN INTERIM REVIEW

(3) A request for a partial interim review of Regulation (EC) No 1601/2001 was received from Has Çelik ve Halat Sanayi Ticaret A.S. ('Has Çelik', or 'the applicant'), a Turkish exporting producer of certain iron or steel ropes and cables subject to the anti-dumping measures in force.

(4) In this request pursuant to Article 11(3) of the basic Regulation it was claimed that the circumstances with regard to dumping on the basis of which the measures in force were established have changed and that these changes are of a lasting nature.

(5) According to the request, the applicant has undergone structural changes which have had a significant impact on the normal value. Furthermore, it was claimed that a comparison of normal value based on its costs or domestic prices and export prices to the Community would lead to a reduction of dumping significantly below the level of the current measures applying to imports from the applicant, i.e. 17,8 %. Therefore, the continued imposition of measures at the existing levels, which were based on the level of dumping previously established, would no longer be necessary to offset dumping.

(6) Having determined, after consulting the Advisory Committee, that sufficient evidence existed for the initiation of a partial interim review, the Commission published a notice ('Notice of Initiation') [4] and commenced an investigation, limited in scope to the examination of dumping by the applicant.

C. PROCEDURE

(7) The Commission officially advised the representatives of the exporting country and the applicant of the initiation of the partial interim review and gave all the parties directly concerned the opportunity to make their views known in writing and to request a hearing. A submission was received from EWRIS, the Liaison Committee of E.U. Wire Rope Industries which was the complainant in the original case.

(8) The Commission also sent a questionnaire to the applicant, which replied within the time limits set in the Notice of Initiation.

---

[1] OJ L 56, 6.3.1996, p. 1. Regulation as last amended by Regulation (EC) No 461/2004 (OJ L 77, 13.3.2004, p. 12).

[2] OJ C 127, 5.5.2000, p. 12.

[3] OJ L 211, 4.8.2001, p. 1. Regulation as last amended by Regulation (EC) No 1268/2003 (OJ L 180, 18.7.2003, p. 23).

[4] OJ C 67, 17.3.2004, p. 5.

(9) The Commission sought and verified all information it deemed necessary for the purpose of a determination of dumping and carried out a verification visit at the premises of the applicant.

(10) The investigation of dumping covered the period from 1 July 2003 to 29 February 2004 ('the investigation period').

D. PRODUCT

Product concerned

(11) The product concerned is the same as in the investigation which lead to the imposition of the existing measures ('the previous investigation'), i.e. iron or steel ropes and cables, including locked coil ropes, excluding ropes and cables of stainless steel, with a maximum cross-sectional dimension exceeding 3 mm, with fittings attached or not ('steel wire ropes' or 'SWR'), originating in Turkey, currently classifiable within CN codes 7312 10 82, 7312 10 84, 7312 10 86, 7312 10 88 and 7312 10 99.

Like product

(12) As in the previous investigation, this investigation has shown that the SWR produced in Turkey by the applicant and sold on the Turkish market or exported to the Community have the same basic physical characteristics and the same uses, and therefore are to be considered a like product within the meaning of Article 1(4) of the basic Regulation.

E. DUMPING

Normal value

(13) As far as the determination of normal value is concerned, it was first established whether the applicant's total domestic sales of the like product were representative in comparison with its total export sales to the Community. In accordance with Article 2(2) of the basic Regulation this was found to be the case since its domestic sales volume constituted at least 5 % of its total export sales volume to the Community.

(14) For each of the types sold by the applicant on its domestic market and found to be directly comparable to the types exported to the Community, it was examined whether domestic sales were sufficiently representative for the purposes of Article 2(2) of the basic Regulation. This was considered to be the case when, during the investigation period, the total domestic sales volume of a type represented 5 % or more of the total sales volume of the same type exported to the Community. For most of the types exported to the Community during the investigation period a comparable representative type sold on the domestic market was found.

(15) For the product types meeting the 5 % test, an examination was then made as to whether the domestic sales of each comparable type could be regarded as having been made in the ordinary course of trade, by establishing the proportion of sales to independent customers of the type in question not made at a loss. In all cases, sales of a type not made at a loss represented more than 80 % of the total domestic sales volume of that type and, therefore, normal value was based on a weighted average price of all domestic sales made during the investigation period.

(16) For the product types exported to the Community where no comparable types sold on the domestic market were found, normal value was constructed on the basis of the costs of manufacturing incurred by the applicant for the exported product types in question plus a reasonable amount for selling, general and administrative costs and profits in accordance with Article 2(3) and 2(6) of the basic Regulation. The general and administrative costs were based on the applicant's domestic sales of the like product. The profit margin was based on the applicant's domestic sales of the like product made in the ordinary course of trade.

Export price

(17) Since all export sales of the product concerned were made directly to independent customers in the Community, the export price was established on the basis of such prices paid or payable, in accordance with Article 2(8) of the basic Regulation.

Comparison

(18) The comparison of normal value with export price was made on an ex-factory basis and at the same level of trade. For the purpose of ensuring a fair comparison, account was taken, in accordance with Article 2(10) of the basic Regulation, of differences in factors which were claimed and demonstrated to affect prices and price comparability, i.e. transport costs, insurance costs, handling, loading and ancillary costs, credit costs and commissions.

Dumping margin

(19) The comparison was made between the weighted average adjusted normal value per product type and the weighted average net ex-works export price for the comparable product type, in accordance with Article 2(11) of the basic Regulation.

(20) The comparison as described above did not show the existence of any dumping.

F. **LASTING NATURE OF CHANGED CIRCUMSTANCES**

(21) In accordance with Article 11(3) of the basic Regulation, it was also examined whether the changed circumstances could reasonably be said to be of a lasting nature.

(22) In this respect, the investigation revealed that the applicant has undergone structural changes affecting considerably the production structure and organisation, resulting in a substantially higher production efficiency that led to a drop in production costs and thus reduced normal value as compared to the investigation period used in the previous investigation (1 April 1999 until 31 March 2000). During the same period, export prices have increased and no reason was found to indicate that this increase was temporary.

(23) It is consequently concluded that the changed circumstances, in particular the increase in export prices to the Community combined with a substantial decrease in production costs, are of a lasting nature.

G. **ANTI-DUMPING MEASURES**

(24) In the absence of dumping, it is therefore considered appropriate to repeal the measures insofar as they concern the applicant.

(25) The interested parties were informed of the facts and considerations on the basis of which it was intended to recommend an amendment of Regulation (EC) No 1601/2001 and were given an opportunity to comment.

(26) Subsequently, EWRIS submitted some general comments relating mainly to increasing prices of raw materials after the investigation period. EWRIS did not put in question the findings concerning dumping as outlined above, but nevertheless expressed concern about the possibility that the applicant may resume dumping in the future.

(27) Concerning the prices of raw materials, it is noted that the prices of raw materials may have increased after the investigation period, but this could not have been taken into account in the dumping calculation for the applicant. In this case, the main raw material is wire rod, a basic steel product, which is a commodity with prices normally fluctuating within short periods. Therefore, any price increase of such raw material cannot be considered to be of a lasting nature, which could put into question the above findings.

(28) Finally, it should be noted that, since the repeal of the measures concerns only the applicant, and not Turkey as a whole, the applicant remains subject to the proceeding and may be reinvestigated in any subsequent review carried out for Turkey pursuant to Article 11(6) of the basic Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1601/2001 is hereby amended as follows:

In the table of Article 1(3) the rate of duty (%) for the company Has Çelik ve Halat Sanayi Ticaret A.S. (TARIC additional code A220) shall be replaced by the following:

‘0’.

Article 2

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

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

Done at Brussels, 8 April 2005.

For the Council
The President
J. ASSELBORN