Commission Implementing Regulation (EU) 2018/607 of 19 April 2018 imposing a definitive anti-dumping duty on imports of steel ropes and cables originating in the People's Republic of China as extended to imports of steel ropes and cables consigned from Morocco and the Republic of Korea, whether declared as originating in these countries or not, following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council

COMMISSION IMPLEMENTING REGULATION (EU) 2018/607

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union[(1)] ('the basic Regulation'), and in particular Article 11(2) thereof,

Whereas:

1. PROCEDURE

1.1. Previous investigations and measures in force

(1) By Regulation (EC) No 1796/1999[(2)], the Council imposed an anti-dumping duty on imports of steel ropes and cables originating in the People's Republic of China ('PRC'), Hungary, India, Mexico, Poland, South Africa and Ukraine. Those measures will hereinafter be referred to as 'the original measures' and the investigation that led to the measures imposed by Regulation (EC) No 1796/1999 will hereinafter be referred to as 'the original investigation'.

(2) Thereafter, it was found that circumvention of the original measures concerning imports from Ukraine and the PRC took place via respectively Moldova and via Morocco following investigations pursuant to Article 13 of the Council Regulation (EC) No 384/96[(3)]. Consequently, by Regulation (EC) No 760/2004[(4)], the Council extended the definitive anti-dumping duty imposed on imports of steel ropes and cables originating in the Ukraine to imports of the same products consigned from Moldova. Similarly, the anti-dumping duty imposed on imports of steel ropes and cables originating in the PRC was extended, by Council Regulation (EC) No 1886/2004[(5)], to imports of the same products consigned from Morocco.

Changes to legislation: *There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2018/607. (See end of Document for details)*

(3) By Regulation (EC) No 1858/2005[6], the Council, following an expiry review in accordance with Article 11(2) of Regulation (EC) No 384/96, maintained the original measures imposed on imports of steel ropes and cables originating in the PRC, India, South Africa and Ukraine. The measures applicable to imports originating in Mexico expired on 18 August 2004[7]. As Hungary and Poland became members of the European Union on 1 May 2004, the measures were terminated on that date.

(4) In May 2010, by Implementing Regulation (EU) No 400/2010[8] the Council extended the definitive anti-dumping duty imposed by Regulation (EC) No 1858/2005 on imports of steel ropes and cables, originating in the PRC, to imports of steel ropes and cables, consigned from the Republic of Korea, whether declared as originating in the Republic of Korea or not, as a result of an anti-circumvention investigation in accordance with Article 13 of ('the basic Regulation'). Certain Korean exporting producers were granted an exemption from the extended duty as they were not found to circumvent the definitive anti-dumping duties.

(5) The measures applicable to imports originating in India expired on 17 November 2010[9].

(6) In January 2012, by Implementing Regulation (EU) No 102/2012[10], the Council, following an expiry review in accordance with Article 11(2) of Regulation (EC) No 1225/2009[11], maintained the anti-dumping duty regarding the PRC as extended to Morocco and the Republic of Korea and in Ukraine as extended to Moldova. Those measures will hereinafter be referred to as 'the measures in force' and the expiry review investigation, concluded by Implementing Regulation (EU) No 102/2012, will be hereinafter referred to as 'the previous expiry review'.

(7) By the same regulation the Council also terminated the proceeding with regard to South Africa. The measures applicable to imports originating in South Africa expired on 9 February 2012.

1.2. **Request for an expiry review**

(8) Following the publication of a notice of impending expiry[12] the Commission received a request for review pursuant to Article 11(2) of the basic Regulation ('request for review').

(9) The request for review was lodged on 7 November 2016 by the Liaison Committee of E.U. Wire Rope Industries ('the applicant') on behalf of producers representing more than 25 % of the total Union production of steel ropes and cables ('SRC'). The request was based on the grounds that the expiry of the measures with regard to the PRC would be likely to result in continuation of dumping and recurrence of injury to the Union industry. The applicant did not provide sufficient evidence that the expiry of measures in force against Ukraine would likely result in a continuation or recurrence of dumping and injury.

1.3. **Initiation**

(10) Having determined, after consulting the Committee established by Article 15(1) of the basic Regulation, that sufficient evidence existed for the initiation of an expiry review, the Commission announced on 8 February 2017, by a notice published in the *Official Journal of the European Union*[(13)] ('Notice of initiation'), the initiation of an expiry review pursuant to Article 11(2) of the basic Regulation.

(11) In the absence of a duly substantiated request for an expiry review concerning imports of SRC originating in Ukraine, the Commission gave notice that the anti-dumping measure with regard to Ukraine would expire. Consequently, the anti-dumping duty imposed on imports of steel ropes and cables originating in Ukraine expired on 10 February 2017[(14)].

1.4. **Review investigation period and period considered**

(12) The investigation of continuation or recurrence of dumping covered the period from 1 January 2016 to 31 December 2016 ('review investigation period' or 'RIP'). The examination of trends relevant for the assessment of the likelihood of a continuation or recurrence of injury covered the period from 1 January 2013 to the end of the review investigation period - 31 December 2016 ('the period considered').

1.5. **Interested parties**

(13) In the Notice of initiation, the Commission invited all interested parties to participate in the investigation. In addition, the Commission officially advised the applicant, the other known Union producers, the exporting producers in the PRC, importers/users which were known to be concerned, as well as the authorities of the PRC the initiation of the expiry review.

(14) All interested parties were invited to make their views known, submit information and provide supporting evidence within the time-limits set out in the Notice of initiation. Interested parties were also granted the opportunity to request in writing a hearing by the Commission investigation services and/or the Hearing Officer in trade proceedings.

1.5.1. *Sampling*

(15) In its Notice of initiation, the Commission stated that it might sample the interested parties in accordance with Article 17 of the basic Regulation.

1.5.1.1. Sampling of exporting producers in the PRC

(16) In view of the apparent large number of exporting producers in the PRC, sampling was envisaged in the Notice of initiation.

(17) To decide whether sampling was necessary and, if so, to select a sample, the Commission asked the 21 known exporting producers in the PRC to provide the information specified in the Notice of initiation. The information requested included production volume and production capacity. In addition, the Commission requested the

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Mission of the PRC to the European Union to identify and/or contact other exporting producers, if any, that could be interested in participating in the investigation.

(18) Only one group of exporting producers replied that it was willing to cooperate. That group, while covering 100 % of all SRC exports from the PRC to the Union, only accounted for less than 2 % of total SRC Chinese production. Given that only one group of exporting producers was willing to cooperate, it was not necessary to apply sampling.

1.5.1.2. Sampling of Union producers

(19) In the Notice of initiation, the Commission stated that it had provisionally selected a sample of Union producers. Pursuant to Article 17 of the basic Regulation, the sample was selected on the basis of sales volume of the like product. The sample consisted of six Union producers. The sampled Union producers accounted for 50,5 % of the total Union industry's production during the RIP. The Commission invited interested parties to comment on the provisional sample. No comments were received within the deadline and the provisional sample was thus confirmed. The sample was considered representative for the Union industry.

1.5.1.3. Sampling of unrelated importers

(20) In order to enable the Commission to decide whether sampling is necessary and, if so, to select a sample, all unrelated importers or representatives acting on their behalf, were invited to participate in this investigation. Those parties were requested to make themselves known by providing the Commission with the information on their company(ies) requested in Annex II of the Notice of initiation.

(21) In addition, 44 importers identified in the review request were contacted by the Commission at initiation stage and were invited to explain their activity and to fill in the above mentioned Annex.

(22) Only seven importers came forward, but according to their replies six of them did not import SRC during the RIP. Therefore, no sampling was necessary.

1.5.2. *Questionnaires*

(23) The Commission sent questionnaires to the cooperating group of exporting producers that replied to the sampling form, the six sampled Union producers, one importer, ten users that made themselves known following the initiation of the investigation and 50 known producers in potential market economy third countries (Canada, India, Japan, Malaysia, Mexico, Russia, South Africa, South Korea, Switzerland, Thailand, Turkey, Ukraine and the United States of America (‘USA’ or ‘US’)).

(24) The group of exporting producers and five Union producers submitted a questionnaire reply. No importer and none of the users provided a questionnaire reply.

(25) Two market economy third country producers provided a questionnaire reply, one located in Turkey and one in the USA.

1.5.3. *Verification visits*

(26) The Commission sought and verified all the information deemed necessary for the determination of likelihood of continuation or recurrence of dumping and injury and Union interest. Verification visits pursuant to Article 16 of the basic Regulation were carried out at the premises of the following companies:

Union producers

— Bridon International Ltd, Doncaster, United Kingdom

— Casar Drahtseilwerk Saar GmbH, Kirkel, Germany

— Drumet Liny i Druty sp z o.o., Wloclawek, Poland

— Gustav Wolf GmbH, Guetersloh, Germany

— Redaelli Tecna Spa, Milano, Italy

Exporting producer in the PRC

— Fasten Group Imp. & Exp. Co., Ltd, Jiangyin City, Wuxi, Jiangsu Province

Producer in the market economy third country

— WireCo World Group, Prairie Village, KS, USA.

2. PRODUCT UNDER REVIEW AND LIKE PRODUCT

2.1. Product under review

(27) The product subject to this review is steel ropes and cables including locked coil ropes, excluding ropes and cables of stainless steel, with a maximum cross-sectional dimension exceeding 3 mm originating in the PRC ('SRC' or 'product under review'), currently falling within CN codes ex 7312 10 81, ex 7312 10 83, ex 7312 10 85, ex 7312 10 89 and ex 7312 10 98.

2.2. Like product

(28) SRC produced in the PRC and exported to the Union, SRC produced and sold on the domestic market of the market economy third country USA, and SRC produced and sold in the Union by the Union producers have the same end uses, basic physical and technical characteristics and are therefore considered to be like products within the meaning of Article 1(4) of the basic Regulation.

3. LIKELIHOOD OF A CONTINUATION OR RECURRENCE OF DUMPING

(29) In accordance with Article 11(2) of the basic Regulation, the Commission examined whether the expiry of the measures in force would be likely to lead to a continuation or recurrence of dumping from the PRC.

3.1. Preliminary remarks

(30) In accordance with Article 11(2) of the basic Regulation, the Commission examined whether the expiry of the measures in force would be likely to lead to a continuation or recurrence of dumping from the PRC.