Commission Implementing Regulation (EU) 2016/181 of 10 February 2016 imposing a provisional anti-dumping duty on imports of certain cold-rolled flat steel products originating in the People's Republic of China and the Russian Federation

COMMISSION IMPLEMENTING REGULATION (EU) 2016/181

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imposing a provisional anti-dumping duty on imports of certain cold-rolled flat steel products originating in the People's Republic of China and the Russian Federation

THE EUROPEAN COMMISSION,

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

Having regard to Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community[(1)], and in particular Article 7 thereof,

After consulting the Member States,

Whereas:

1. PROCEDURE

1.1. INITIATION

(1) On 14 May 2015, the European Commission ('the Commission') initiated an anti-dumping investigation with regard to imports into the Union of certain flat-rolled products of iron or non-alloy steel, or other alloy steel but excluding of stainless steel, of all widths, cold-rolled (cold-reduced), not clad, plated or coated and not further worked than cold-rolled (cold-reduced) ('cold-rolled flat steel products') originating in the People's Republic of China ('PRC') and the Russia Federation ('Russia') (together, referred to as 'the countries concerned') on the basis of Article 5 of Regulation (EC) No 1225/2009 ('the basic Regulation'). It published a Notice of Initiation in the *Official Journal of the European Union*[(2)] ('the Notice of Initiation').

(2) The Commission initiated the investigation following a complaint lodged on 1 April 2015 by the European Steel Association ('Eurofer' or 'the complainant') on behalf of producers representing more than 25 % of the total Union production of certain cold-rolled flat steel products. The complaint contained evidence of dumping of the said product and of resulting material injury that was sufficient to justify the initiation of the investigation.

1.2. REGISTRATION

(3) Following a request by the complainant supported by the required evidence, the Commission published on 12 December 2015 Implementing Regulation (EU) 2015/2325[(3)] making imports of certain cold-rolled flat steel products originating

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in the PRC and Russia ('the Registration Regulation') subject to registration as of 13 December 2015.

(4) Some interested parties claimed that the request for registration of imports was unfounded, as the conditions pursuant to Article 14(5) of the basic Regulation were not met. They alleged that the conditions for the retroactive collection of duties are not fulfilled as the request would be based on arbitrarily selected time periods, would neglect the cyclical nature of imports and, as to the registration of imports, as well as the retroactive application of measures, would be against the Union interest. However, at the time when the decision was taken the Commission had sufficient prima facie evidence justifying the need to register imports: imports and market shares from the countries concerned had sharply increased. The claim in this regard was therefore rejected.

1.3. INTERESTED PARTIES

(5) In the Notice of Initiation, the Commission invited interested parties to come forward in order to participate in the investigation. In addition, the Commission specifically informed the complainant, other known Union producers, the known exporting producers, the Chinese and Russian authorities, known importers, suppliers and users, traders and associations known to be concerned about the initiation and invited them to participate.

(6) Interested parties were given the opportunity to make their views known in writing and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings. All interested parties who so requested and showed that there were particular reasons why they should be heard were granted a hearing.

1.4. ANALOGUE COUNTRY PRODUCERS

(7) The Commission also informed producers in Brazil, Canada, India, Japan, South Korea, Taiwan, Turkey, Ukraine and the USA about the initiation and invited them to participate. In the Notice of Initiation, the Commission informed interested parties that it provisionally chose Canada as a third market economy country ('analogue country') within the meaning of Article 2(7)(a) of the basic Regulation.

1.5. SAMPLING

(8) 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. **Sampling of Union producers**

(9) In the Notice of Initiation, the Commission stated that it had provisionally selected a sample of Union producers. The Commission had selected the sample on the basis of the highest representative production and sales volumes whilst ensuring a geographical spread. This provisional sample consisted of five Union producers located in five different Member States and accounted for over 35 % of Union production of

cold-rolled flat steel products. The Commission invited interested parties to comment on the provisional sample.

(10) Eurofer submitted comments and for various reasons suggested a change in the proposed sample. However, after analysing these comments the Commission concluded that changing the sample as proposed by Eurofer would not improve its overall representativity. The Commission therefore confirmed the sample and received no further comments in this regard.

1.5.2. **Sampling of importers**

(11) The Commission asked unrelated importers to provide the information specified in the Notice of Initiation in order to decide whether sampling was necessary and, if so, to select a sample.

(12) Thirteen importers provided the requested information and agreed to be included in the sample. Four of them were sampled, but only one of them submitted an importers questionnaire reply. In order to base its findings on a greater number of unrelated importers, the Commission contacted the remaining unrelated importers which had come forward in the sampling exercise but none of them confirmed their willingness to complete the importers questionnaire.

1.5.3. **Sampling of exporting producers in the PRC and Russia**

(13) To decide whether sampling is necessary and, if so, to select a sample for the PRC and Russia respectively, the Commission asked all exporting producers in the PRC and Russia to provide the information specified in the Notice of Initiation. In addition, the Commission asked the Mission of the People's Republic of China to the European Union and the Permanent Mission of the Russian Federation to the European Union to identify and/or contact exporting producers that could be interested in participating in the investigation.

(14) Ten groups of exporting producers in the PRC and three in Russia provided the requested information and agreed to be included in the samples for the PRC and Russia respectively. With regard to the PRC and in accordance with Article 17(1) of the basic Regulation, the Commission selected a sample of two groups of companies on the basis of the largest representative volume of exports to the Union which could reasonably be investigated within the time available. In accordance with Article 17(2) of the basic Regulation, all known exporting producers concerned, and the authorities of the PRC, were consulted on the selection of the sample. Having examined the comments received from one exporting producer, the Commission confirmed its proposed sample.

(15) In view of the limited number of exporting producers in Russia the Commission decided not to select a sample for Russia but to investigate all the three groups of companies concerned. The companies in question and the authorities of Russia were informed accordingly.

1.6. INDIVIDUAL EXAMINATION

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(16) Six groups of exporting producers in the PRC indicated that they wish to request individual examination under Article 17(3) of the basic Regulation. However, none of them replied to the questionnaire and, thus, no individual examination could be considered.

1.7. REPLIES TO THE QUESTIONNAIRE

(17) The Commission sent questionnaires to all parties known to be concerned and to all other companies that made themselves known within the deadlines set out in the Notice of Initiation. Questionnaire replies were received from five Union producers, three users, a group of related steel service centres, one steel service centre not related to an exporting producer in the countries concerned, three exporting producers in Russia, two groups of exporting producers in the PRC, and one producer in an analogue country.

1.8. VERIFICATION VISITS

(18) The Commission sought and verified all the information deemed necessary for a provisional determination of dumping, resulting injury and Union interest. Verification visits pursuant to Article 16 of the basic Regulation were carried out at the premises of the following companies/association:

— Association:
  — Eurofer, Brussels, Belgium.
— Union producers:
  — ThyssenKrupp Germany, Duisburg, Germany
  — Tata Steel UK Limited, Port Talbot, United Kingdom
  — ArcelorMittal Belgium NV, Ghent, Belgium
  — ArcelorMittal Sagunto S.L., Puerto de Sagunto, Spain
  — U. S. Steel Košice, s.r.o., Košice, Slovak Republic.
— Unrelated importers in the Union:
  — S. Polo Lamiere, San Polo di Torrile (PR), Italy.
— Users and/or steel service centres in the Union:
  — Valpro Ltd, Valmiera, Latvia
  — Dinex Latvia Ltd, Ozolnieku Novad, Latvia
  — Gonvarri I. Centro De Servicios, S.L., Madrid, Spain
  — Industrial Ferrodistribuidora, S.L., Puerto de Sagunto, Spain
  — Steel & Alloy processing limited, West Bromwich, United Kingdom.
— Exporting producers in the PRC:

Angang Group:

  — Angang Steel Company Limited, Anshan
  — Tianjin Angang Tiantie Cold Rolled Sheets Co. Ltd, Tianjin.

Shougang Group:

- Beijing Shougang Cold Rolling Co. Ltd, Beijing
- Shougang Jintang United Iron & Steel Co. Ltd, Tagshan.

— Related importer in the Union:
- Ansteel Spain S.L., Alcobendas, Spain.

— Exporting producers in Russia:
- Magnitogorsk Iron & Steel Works OJSC, Magnitogorsk
- OJSC Novolipetsk Steel, Lipetsk
- PAO Severstal, Cherepovets.

— Related steel service centre/trader/importer in the Union:
- SIA Severstal Distribution, Riga, Latvia

— Related traders/importers outside the Union:
- NOVEX Trading (Swiss) SA, Lugano, Switzerland
- MMK Steel Trade AG, Lugano, Switzerland
- Severstal Export GmbH, Stansstad, Switzerland.

— Producer in the analogue country:
- ArcelorMittal Dofasco, Hamilton, Canada.

1.9. INVESTIGATION PERIOD AND PERIOD CONSIDERED

(19) The investigation of dumping and injury covered the period from 1 April 2014 to 31 March 2015 (‘the investigation period’ or ‘IP’).

(20) The examination of trends relevant for the assessment of injury covered the period from 1 January 2011 to the end of the investigation period (‘the period considered’).

2. PRODUCT CONCERNED AND LIKE PRODUCT

2.1. PRODUCT CONCERNED

(21) The product concerned is flat-rolled products of iron or non-alloy steel, or other alloy steel but excluding of stainless steel, of all widths, cold-rolled (cold-reduced), not clad, plated or coated and not further worked than cold-rolled (cold-reduced), currently falling within CN codes ex 7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, ex 7209 18 99, ex 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7211 23 30, ex 7211 23 80, ex 7211 29 00, 7225 50 80, 7226 92 00 and originating in the PRC and Russia.

The following product types are excluded from the definition of the product concerned:

— flat-rolled products of iron or non-alloy steel, of all width, cold-rolled (cold-reduced), not clad, plated or coated, not further worked than cold-rolled, whether or not in coils, of all thickness, electrical,

— flat-rolled products of iron or non-alloy steel, of all width, cold-rolled (cold-reduced), not clad, plated or coated, in coils, of a thickness of less than 0,35 mm, annealed (known as ‘black plates’),