Changes to legislation: *Commission Implementing Regulation (EU) 2015/110 is up to date with all changes known to be in force on or before 17 March 2021. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

Commission Implementing Regulation (EU) 2015/110 of 26 January 2015 imposing a definitive anti-dumping duty on imports of certain welded tubes and pipes of iron or non-alloy steel originating in Belarus, the People's Republic of China and Russia and terminating the proceeding for imports of certain welded tubes and pipes of iron or non-alloy steel originating in Ukraine following an expiry review pursuant to Article 11(2) of Council Regulation (EC) No 1225/2009

COMMISSION IMPLEMENTING REGULATION (EU) 2015/110

of 26 January 2015

imposing a definitive anti-dumping duty on imports of certain welded tubes and pipes of iron or non-alloy steel originating in Belarus, the People's Republic of China and Russia and terminating the proceeding for imports of certain welded tubes and pipes of iron or non-alloy steel originating in Ukraine following an expiry review pursuant to Article 11(2) of Council Regulation (EC) No 1225/2009

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)] ('the basic Regulation'), and in particular Article 9(4) and Article 11(2) and (5) thereof,

Whereas:

A. PROCEDURE

1. Measures in force

(1) The Council, following an anti-dumping investigation ('the previous investigation'), by Regulation (EC) No 1256/2008[(2)], imposed a definitive anti-dumping duty on imports of certain welded tubes and pipes of iron or non-alloy steel currently falling within CN codes ex 7306 30 41, ex 7306 30 49, ex 7306 30 72 and ex 7306 30 77 originating in Belarus, the People's Republic of China ('PRC'), Russia, Thailand and Ukraine ('the definitive anti-dumping measures'). The measures took the form of an *ad valorem* duty ranging between 10,1 % and 90,6 %.

2. Request for an expiry review

(2) Following the publication of a notice of impending expiry[(3)] of the definitive anti-dumping measures in force, the Commission received on 18 September 2013 a request for the initiation of an expiry review of these measures pursuant to Article 11(2) of the basic Regulation. The request was lodged by the Defence Committee of the welded steel tubes industry of the European Union ('the applicant') on behalf of producers representing a major proportion of the total Union production of welded tubes and pipes, in this case more than 25 %.

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(3) The request was based on the grounds that the expiry of the measures would be likely to result in a continuation or recurrence of dumping and injury to the Union industry.

3. Initiation of an expiry review

(4) Having determined, after consulting the Advisory Committee, that sufficient evidence existed for the initiation of an expiry review, the Commission announced on 19 December 2013, by a notice published in the *Official Journal of the European Union*[(4)] ('the Notice of Initiation'), the initiation of an expiry review pursuant to Article 11(2) of the basic Regulation.

4. Investigation

4.1. *Review investigation period and period considered*

(5) The investigation of the likelihood of continuation or recurrence of dumping and injury covered the period from 1 October 2012 to 30 September 2013 ('the review investigation period' or 'RIP'). The examination of the trends relevant for the assessment of the likelihood of a continuation or recurrence of injury covered the period from 1 January 2010 to the end of the review investigation period ('the period considered').

4.2. *Parties concerned by the proceeding*

(6) The Commission officially advised the applicant, other known Union producers, exporting producers in Belarus, the PRC, Russia and Ukraine ('the countries concerned'), unrelated importers and users known to be concerned, as well as representatives of the countries concerned of the initiation of the expiry review. Interested parties were given the opportunity to make their views known in writing and to request a hearing within the time limit set out in the Notice of Initiation.

(7) All interested parties who so requested and showed that there were particular reasons why they should be heard were granted a hearing.

4.2.1. Sampling in respect of exporting producers

(8) In view of the apparent large number of exporting producers in the PRC, Russia and Ukraine, sampling was envisaged in the Notice of Initiation, in accordance with Article 17 of the basic Regulation. In order to enable the Commission to decide whether sampling would be necessary and, if so, to select a sample, the above parties were requested to make themselves known to the Commission within 15 days of the initiation of the review and to provide the Commission with the information requested in the Notice of Initiation.

(9) In the end, the Commission did not receive sampling replies from exporting producers in the PRC. One sampling reply was received from one exporting producer in Ukraine. Three sampling replies were received from exporting producers in Russia.

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Hence, the Commission considered that sampling of exporting producers was not necessary.

4.2.2. Sampling in respect of importers and Union producers

(10) In view of the apparent large number of unrelated importers in the Union, sampling was envisaged in the Notice of Initiation, in accordance with Article 17 of the basic Regulation. In order to enable the Commission to decide whether sampling would be necessary and, if so, to select a sample, the above parties were requested to make themselves known to the Commission within 15 days of the initiation of the review and to provide the Commission with the information requested in the Notice of Initiation. Given that no reply has been received from any unrelated importer, sampling was not applied to unrelated importers.

(11) In view of the large number of Union producers involved in this proceeding, the Notice of Initiation announced that the Commission had provisionally selected a sample of Union producers for the determination of injury in accordance with Article 17 of the basic Regulation. That pre-selection had been made by using the information available to the Commission at initiation stage and it was based on the producers' sales volume, production volume and geographical location in the Union. The sample corresponded to the largest representative volume of production and sales which could be reasonably investigated within the time available, representing 52 % of the total production and sales to unrelated customers in the EU of the Union industry. In addition, the sample was representative in terms of geographical location of the companies as it covered four different Member States. EU producers were consulted about the proposed sample on the date of publication of the Notice of Initiation. Given that no additional producers came forward and no comments were received on the sample, the proposed sample was confirmed.

(12) The Commission sought and verified all the information deemed necessary for a determination of the likelihood of continuation or recurrence of dumping, likelihood of continuation or recurrence of injury and of the Union interest. To this end, the Commission sent questionnaires to the exporting producers and Union producers selected in the sample. Verification visits were carried out at the premises of the following companies:

(a) producers in the Union:
- Arcelor Mittal Karvina, Czech Republic,
- Arcelor Mittal Krakow, Poland,
- Arvedi Tubi Acciaio s.p.A, Cremona, Italy,
- Tata Steel UK Limited, Corby, UK;

(b) exporting producer in Belarus:
- Mogilev Metallurgical Works, Mogilev, Belarus;

(c) trader related to the exporting producer in Ukraine:
- Interpipe Europe SA, Lugano, Switzerland;

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(d) producer in Russia:

— Pervouralsk New Pipe Plant, Pervouralsk, Russia;

(e) producer in the analogue country:

— Robor Ltd Johannesburg, South Africa.

B. PRODUCT CONCERNED AND LIKE PRODUCT

1. Product concerned

(13) The product concerned is welded tubes and pipes, of iron or non-alloy steel, of circular cross-section and of an external diameter not exceeding 168,3 mm, excluding line pipe of a kind used for oil or gas pipelines, casing and tubing of a kind used in drilling for oil and gas, precision tubes and tubes and pipes with attached fittings suitable for conducting gases or liquids for use in civil aircraft, currently falling within CN codes ex 7306 30 41, ex 7306 30 49, ex 7306 30 72 and ex 7306 30 77, originating in Belarus, the PRC, Russia and Ukraine.

(14) The investigation has shown that the different types of the product concerned all share the same basic physical, chemical and technical characteristics and are basically used for the same purposes.

2. Like product

(15) The welded tubes and pipes produced and sold in the Union by the Union industry and the welded tubes and pipes produced and sold in the countries concerned and the analogue country were found to have essentially the same physical, chemical and technical characteristics and the same basic uses as the welded tubes and pipes produced in the countries concerned and sold for export to the Union. They are therefore considered to be alike within the meaning of Article 1(4) of the basic Regulation.

C. LIKELIHOOD OF CONTINUATION OR RECURRENCE OF DUMPING

(16) In accordance with Article 11(2) of the basic Regulation, the Commission examined whether the expiry of the existing measures would be likely to lead to a continuation or recurrence of dumping from the four countries concerned.

(17) All the four countries under investigation exported negligible quantities of the product concerned during the review investigation period. Therefore, there is no likelihood of continuation of dumping for any of the four countries under investigation. The assessment was limited to the likelihood of recurrence of dumping using export prices to other third countries. As in the previous investigation, exports to Belarus were disregarded for this purpose.

NON-MARKET ECONOMY COUNTRIES

1. Analogue Country

(18) Pursuant to the provisions of Article 2(7)(a) of the basic Regulation, Belarus and the PRC are not considered market economy countries. In the previous investigation, the USA was used as an analogue country for the purposes of establishing

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the normal value. In the Notice of Initiation the USA was envisaged to be used as an analogue country in this expiry review, as suggested by the applicant.

(19) The Commission received comments from Mogilev as well as from the Belarusian authorities. No comments were received from interested parties in the PRC.

(20) The Belarusian parties argued USA was not an appropriate choice due to alleged links between the sole cooperating US producer and the Union industry.

(21) The Belarusian parties suggested to use Russia as analogue country as the Russian steel industry is allegedly similar to that of Belarus due to their common ties to the former Soviet Union.

(22) However, the investigation established that the value of natural gas was not reflected properly in the cost of production of the sole cooperating producer in Russia (see recital 69 below). Moreover, the cooperation from this producer in Russia was not sufficient (see recital 61 below). Therefore, the choice of Russia was not considered appropriate.

(23) The Commission also identified other third countries exporting the product concerned to the Union. The Commission contacted producers in 14 known steel producing countries. These included countries such as Bosnia and Herzegovina, Brazil, the former Yugoslav Republic of Macedonia, Serbia, South Africa, South Korea and Taiwan.

(24) In the end, the Commission did not receive any cooperation from US producers. However, it did receive full questionnaire replies from producers in the former Yugoslav Republic of Macedonia and in South Africa. Due to the significant size of its producer's domestic sales, the Commission considered South Africa to be the most appropriate choice.

BELARUS

1. **Preliminary remark**

(25) The largest known producer in Belarus, OJSC Mogilev Metallurgical Works (‘Mogilev’) cooperated in the investigation. However, Mogilev did not export the product concerned to the Union during the review investigation period. Therefore, information of likely export prices to the Union was based on export prices to other third countries, as indicated in recital 27 below.

2. **Likely dumping during the review investigation period**

2.1. *Determination of the normal value*

(26) The normal value for Belarus was established per product type for the like product on the basis of domestic sales prices to unrelated customers in the ordinary course of trade in South Africa (the analogue country). When there were no sales of a product type of the like product in the ordinary course of trade, or where a product type was not sold in representative quantities on the domestic market of South Africa, the