Council Implementing Regulation (EU) No 1342/2013 of 12 December 2013 repealing the anti-dumping measures on imports of certain iron or steel ropes and cables originating in the Russian Federation following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009

COUNCIL IMPLEMENTING REGULATION (EU) No 1342/2013

of 12 December 2013

repealing the anti-dumping measures on imports of certain iron or steel ropes and cables originating in the Russian Federation following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009

THE COUNCIL OF THE EUROPEAN UNION,

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 Articles 9(2) and 11(2) thereof,

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

Whereas:

A. **PROCEDURE**

1. **Measures in force**

(1) By Regulation (EC) No 1601/2001[(2)] the Council imposed a definitive anti-dumping duty on imports of certain iron or steel ropes and cables (SWR) originating in the Russian Federation, Turkey, Thailand, and the Czech Republic. Those measures will hereinafter be referred to as 'the original measures' and the investigation that led to those measures will hereinafter be referred to as 'the original investigation'.

(2) The Commission had accepted in August 2001 a price undertaking offer by a Russian producer (JSC Severstal-Metiz). That undertaking agreement was repealed in October 2007[(3)] because it was considered unworkable due to difficulties in the proper classification of the large number of product types exported by the company.

(3) By Regulation (EC) No 1279/2007[(4)] the Council, following partial interim and expiry reviews, maintained the original measures for the Russian Federation in accordance with Article 11(2) of the basic Regulation. Those measures will hereinafter be referred to as 'the measures in force' and the expiry review investigation will hereinafter be referred to as 'the last investigation'. Regulation (EC) No 1279/2007 also terminated the measures concerning imports of steel ropes and cables originating in Turkey and Thailand.

Changes to legislation: *There are currently no known outstanding effects for the Council Implementing Regulation (EU) No 1342/2013. (See end of Document for details)*

(4) Currently[5], there are also measures in force against SWR from Ukraine and the People's Republic of China, which were extended to imports of SWR consigned from Morocco, Moldova and the Republic of Korea.

2. Request for a review

(5) On 27 October 2012, the Commission announced by a notice published in the *Official Journal of the European Union* the initiation of an expiry review ('notice of initiation')[6] of the anti-dumping measures applicable to imports of SWR originating in the Russian Federation pursuant to Article 11(2) of the basic Regulation.

(6) The review was initiated following a substantiated request lodged by the Liaison Committee of European Union Wire Rope Industries (hereafter referred to as 'EWRIS' or 'the applicant') on behalf of Union producers representing more than 50 % of the total Union production of certain iron or steel ropes and cables. The request was based on the grounds that the expiry of the measures would be likely to result in continuation of dumping and recurrence of injury to the Union Industry ('UI').

3. Investigation

3.1. *Review investigation period and period considered*

(7) The investigation of continuation or recurrence of dumping and injury covered the period from 1 October 2011 to 30 September 2012 (the 'RIP'). The examination of the trends relevant for the assessment of a likelihood of a continuation or recurrence of injury covered the period from 1 January 2009 until the end of the RIP (period considered).

3.2. *Parties concerned by the proceedings*

(8) The Commission officially advised the exporting producers, Union producers, importers and users known to it, as well as the applicant and the authorities of the exporting country. 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.

(9) In view of the potentially large number of exporting producers in the Russian Federation involved in the investigation, sampling was initially 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 indeed be necessary and, if so, to select a sample, exporting producers from the Russian Federation were requested to make themselves known within 15 days from the initiation of the proceeding and to provide the Commission with the information requested in the notice of initiation.

(10) Given that only two exporting producers in the Russian Federation provided the information requested in the notice of initiation and expressed their willingness to further cooperate with the Commission, it was decided not to apply sampling for exporting producers.

***Changes to legislation:** There are currently no known outstanding effects for the Council Implementing Regulation (EU) No 1342/2013. (See end of Document for details)*

(11) The Commission announced in the notice of initiation that it had provisionally selected a sample of Union producers and invited interested parties to comment thereupon within a deadline provided for in the notice of initiation. The provisional sample consisted of five Union producers that were found to be representative of the Union industry in terms of volume of production and sales of the like product in the Union.

(12) In the absence of any comments, the proposed companies were selected to be included in the final sample and interested parties were accordingly informed. However, one of the finally selected companies subsequently withdrew from the sample. The Commission therefore decided to reduce the sample to the four remaining companies, which were still found to be representative of the Union industry in terms of volume of production (29,3 %) and sales (20,9 %) of the like product in the Union.

(13) Although sampling was envisaged in the notice of initiation of unrelated importers, neither any unrelated importer nor any user came forward. Therefore, sampling was not applied to unrelated importers.

(14) Questionnaires were sent to the four sampled Union producers, the two exporting producers in the Russian Federation, and the related importer.

3.3. ***Questionnaire replies***

(15) Replies to the questionnaires were received from the four sampled Union producers, from the related importer and from one exporting producer from the Russian Federation.

(16) Although two exporting producers from the Russian Federation had originally come forward, only one of them provided a reply to the questionnaire and is considered to be cooperating in the investigation. The cooperating exporting producer has a wholly owned subsidiary based in Italy, which also produces SWR and imports the product concerned from the Russian Federation. The other exporting producer provided a submission at the time of the initiation of the investigation and although it was invited to fill in a questionnaire, failed to do so. It is therefore considered that the second exporting producer did not cooperate in the investigation.

3.4. ***Verification visits***

(17) The Commission sought and verified all information it deemed necessary for the purpose of determining the likelihood of continuation or recurrence of dumping and resulting injury and of the Union interest. Verification visits were carried out at the premises of the following companies:

(a) Union producers:

— CASAR Drahtseilwerk Saar GmbH, Germany,

— BRIDON International Ltd, United Kingdom,

— TEUFELBERGER Seil GmbH, Austria,

— Manuel Rodrigues de OLIVEIRA Sá & Filhos, S.A., Portugal;

Changes to legislation: *There are currently no known outstanding effects for the Council Implementing Regulation (EU) No 1342/2013. (See end of Document for details)*

(b) exporting producer in the Russian Federation:

— JSC SEVERSTAL-Metiz, Cherepovets;

(c) related importer:

— REDAELLI Tecna SpA, Italy.

B. PRODUCT CONCERNED AND LIKE PRODUCT

1. Product concerned

(18) The product concerned is the same as that in the original investigation and in the last investigation, which led to the imposition of measures currently in force, i.e. iron and 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 (in industry terminology often referred to as 'SWR'), 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 (the 'product concerned').

2. Like product

(19) The current expiry review investigation confirmed that SWR produced in the Russian Federation and exported to the Union, and SWR produced and sold in the Union by the Union producers have the same basic physical and technical characteristics and end uses and are therefore considered to be like products within the meaning of Article 1(4) of the basic Regulation.

C. LIKELIHOOD OF A CONTINUATION OR RECURRENCE OF DUMPING

1. Preliminary remarks

(20) In accordance with Article 11(2) of the basic Regulation, it was examined whether dumping was currently taking place and whether the expiry of the existing measures would be likely to lead to a continuation or recurrence of dumping.

(21) As explained above in recital 10, it was not necessary to select a sample of exporting producers in the Russian Federation. The cooperating exporting producer accounted for 99 % of the exports of the product concerned from the Russian Federation to the Union during the RIP. On this basis, it was concluded that cooperation was high.

(22) Since two other known producers in the Russian Federation did not cooperate in the investigation, the findings on the likelihood of continuation or recurrence of dumping set out below had to be based on the best available facts including Eurostat data, the Russian official statistics and limited data obtained from a second producer.

2. Dumping of imports during the RIP

(23) According to the request for review, the exports from the Russian Federation into the Union were allegedly dumped at an average margin of 130,8 %. As mentioned in the notice of initiation (paragraph 4.1), the applicant compared the export prices from

***Changes to legislation:** There are currently no known outstanding effects for the Council Implementing Regulation (EU) No 1342/2013. (See end of Document for details)*

the Russian Federation to the Union (at ex-works level) with the domestic prices in the Russian Federation.

2.1. ***Normal value***

(24) In accordance with Article 2(2) of the basic Regulation, it was first established for the cooperating exporting producer whether its total domestic sales of the like product to independent customers in the Russian domestic market were representative, i.e. whether the total volume of such sales was equal to at least 5 % of the total volume of the corresponding export sales to the Union. The domestic sales of the like product by the cooperating exporting producer were found to be overall representative.

(25) Subsequently, the Commission identified those types of the like product sold domestically by the exporting producer which were identical or directly comparable to the types sold for export to the Union.

(26) It was further examined whether the domestic sales of the cooperating exporting producer were representative for each product type, i.e. whether domestic sales of each product type constituted at least 5 % of the sales volume of the same product type to the Union. For the product types sold in representative quantities it was then examined whether such sales were made in the ordinary course of trade ('OCOT'), in accordance with Article 2(4) of the basic Regulation.

(27) The examination as to whether the domestic sales of each product type, sold domestically in representative quantities, could be regarded as having been made in the OCOT was made by establishing the proportion of the profitable sales to independent customers of the type in question. In all cases where the domestic sales of the particular product type were made in sufficient quantities and in the OCOT, normal value was based on the actual domestic price, calculated as a weighted average of all the domestic sales of that type made during the RIP.

(28) For the remaining product types where domestic sales were not representative or not sold in the OCOT, normal value was constructed in accordance with Article 2(3) of the basic Regulation. Normal value was constructed by adding to the manufacturing costs of the exported types, adjusted where necessary, a reasonable percentage for selling, general and administrative expenses and a reasonable margin for profit, on the basis of actual data pertaining to the production and sales of the like product in the OCOT, in accordance with the first sentence of Article 2(6) of the basic Regulation.

2.2. ***Export price***

(29) For export sales to the Union market of the cooperating Russian exporting producer made directly to the independent customers, the export price was established on the basis of the prices actually paid or payable for the product concerned in accordance with Article 2(8) of the basic Regulation.

(30) For the export transaction where the export to the Union was made through a related trading company, the export price was established on the basis of the first resale price of the related trader to independent customers in the Union, pursuant to Article