Council Implementing Regulation (EU) No 430/2013 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of threaded tube or pipe cast fittings, of malleable cast iron and spheroidal graphite cast iron, originating in the People's Republic of China and Thailand and terminating the proceeding with regard to Indonesia

[[F1]COUNCIL IMPLEMENTING REGULATION (EU) No 430/2013

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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 Article 9 thereof,

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

Whereas:

A. **PROCEDURE**

1. **Provisional measures**

(1) On 15 November 2012 by Regulation (EU) No 1071/2012[(2)] ('the provisional Regulation') the European Commission ('the Commission') imposed a provisional anti-dumping duty on imports of threaded tube or pipe cast fittings, of malleable cast iron, originating in the People's Republic of China ('the PRC') and Thailand.

(2) The proceeding was initiated by a notice of initiation[(3)] published on 16 February 2012, following a complaint lodged on 3 January 2012 by the Defence Committee of Tube or Pipe Cast Fittings, of Malleable Cast Iron of the European Union ('the complainant') on behalf of producers representing more than 50 % of the total Union production of threaded tube or pipe cast fittings of malleable cast iron ('threaded malleable fittings').

(3) As set out in recital 15 to the provisional Regulation, the investigation of dumping and injury covered the period from 1 January to 31 December 2011 ('investigation period' or 'IP'). The examination of trends relevant for the assessment of injury covered the period from 1 January 2008 to the end of the IP ('period considered').

2. **Subsequent procedure**

Changes to legislation: *There are currently no known outstanding effects for the Council Implementing Regulation (EU) No 430/2013. (See end of Document for details)*

(4) Subsequent to the disclosure of the essential facts and considerations on the basis of which it was decided to impose provisional anti-dumping measures ('provisional disclosure'), several interested parties made written submissions making their views on the provisional findings known. The parties who so requested were also granted the opportunity to be heard.

(5) The Commission continued to seek and analyse all the information it deemed necessary for its definitive findings.

B. PRODUCT CONCERNED AND LIKE PRODUCT

(6) One interested party claimed that the product they import should not be part of the product concerned, since its product had certain technical peculiarities. Those malleable fittings use tapered threads, contrary to the parallel threads of the other imported malleable fittings.

(7) However, the investigation has shown that, apart from those technical specifications, those taper threaded fittings have the same physical and technical characteristics as the other imported malleable fittings. Furthermore, as concerns the use, the investigation has shown that the taper threaded fittings are used in a similar way to the other imported malleable fittings. Indeed, in one Member State where both types are used, they have been found to be interchangeable. The claim was therefore rejected.

(8) One interested party claimed that white-heart malleable threaded fittings can be sold throughout the Union, while black-heart malleable threaded fittings can only be sold in Ireland, Cyprus, Malta and United Kingdom. Therefore, allegedly, black-heart and white-heart malleable threaded fittings do not compete fully on the Union market.

(9) However, the investigation has shown that the majority of imports of black-heart malleable threaded fittings originating in the countries concerned go to continental European countries such as Germany, Italy, Poland or Spain. It is therefore concluded that black-heart and white heart malleable threaded fittings fully compete on the Union market, and not only in a limited number of Member States.

(10) An importer reiterated its claim that bodies of compression fittings should not fall under the definition of the product concerned. That importer argued that bodies of compression fittings have a different use and provided supporting evidence that the thread on the body of compression fittings can be easily distinguished from the thread on a standard fitting, because it is done according to a different ISO standard[(4)]. After considering the evidence that was submitted, it was concluded that the product scope should be limited accordingly.

(11) Two other interested parties argued for exclusion from the product scope of malleable iron electrical conduit fittings and, in particular, malleable iron threaded circular junction boxes that are a key component of all electrical conduit tube and conduit fittings installations. They claimed that such junction boxes serve different purposes (i.e. containment and protection of electrical wiring systems, as opposed to ensuring leak-less flow of gas or water as in the case of standard fittings investigated

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in this proceeding). They are also easily distinguishable from other fittings (rather than having to be absolutely gas or liquid tight they have light lids when assembled into a system after importation to allow easy access to cables). After careful consideration of those arguments, it was concluded that malleable iron threaded circular junction boxes without a lid should be excluded from the product scope.

(12) In view of the above, it was deemed appropriate to revise the product scope definition determined in the provisional Regulation. Therefore, the product concerned is definitively defined as threaded tube or pipe cast fittings, of malleable cast iron, currently falling within CN code ex 7307 19 10, excluding bodies of compression fittings using ISO DIN 13 metric thread and malleable iron threaded circular junction boxes without a lid.

(13) In the absence of any other comments concerning the product concerned and the like product, the findings in recitals 17 to 21 and 23 to 28 to the provisional Regulation are hereby confirmed.

C. SAMPLING

(14) Following provisional disclosure, no comments concerning sampling of Union producers, exporting producers in the PRC and unrelated importers were received. Consequently, the findings set out in recitals 29 to 31 to the provisional Regulation are hereby confirmed.

D. DUMPING

1. People's Republic of China

1.1. *Market economy treatment and individual treatment*

(15) In the absence of any comments concerning market economy treatment and individual treatment, the provisional findings in recitals 32 to 46 to the provisional Regulation are hereby confirmed.

1.2. *Analogue country*

(16) In the absence of any comments concerning the analogue country, the findings in recitals 47 to 53 to the provisional Regulation are hereby confirmed.

1.3. *Normal value, export price, comparison*

(17) One Chinese exporting producer claimed that the normal value should be calculated on the basis of the domestic sales by the sole cooperating analogue country producer, even if they are not made in representative quantities as set out in Article 2(2) of the basic Regulation. The claim can be accepted in the case of an analogue country. Accordingly, domestic sales in the ordinary course of trade by the sole cooperating analogue country producer were used to establish the normal value.

(18) The same Chinese exporting producer claimed that the dumping margin should be established using all export sales, and not only for the product types directly comparable with the types sold by the analogue country producer on its

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domestic market. This claim was accepted. For these not directly comparable product types, the normal value was based on the arithmetical average normal value for the matching product types, adjusted by the market value of the differences in the physical characteristics pursuant to Article 2(10)(a) of the basic Regulation.

(19) In the absence of any other comments concerning the normal value, export price and comparison, the findings in recitals 54, 59 to 61 and 64 to 67 to the provisional Regulation are hereby confirmed.

1.4. *Dumping margins*

(20) For the sampled companies, the weighted average normal value of each type of the like product established for the analogue country was compared with the weighted average export price of the corresponding type of the product concerned, as provided for in Article 2(11) and (12) of the basic Regulation.

(21) On this basis the definitive dumping margins expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	**Dumping Margin (%)**
Hebei Jianzhi	57,8
Jinan Meide	40,8
Qingdao Madison	24,6

(22) The weighted average dumping margin of the cooperating exporting producers not included in the sample was calculated in accordance with the provisions of Article 9(6) of the basic Regulation. Accordingly, that margin was established on the basis of the margins established for the sampled exporting producers.

(23) On that basis, the dumping margin for the cooperating companies not included in the sample was established at 41,1 %.

(24) With regard to all other exporting producers in the PRC, the dumping margins were established on the basis of the facts available in accordance with Article 18 of the basic Regulation. To that end the level of cooperation was first established by comparing the volume of exports to the Union reported by the cooperating exporting producers with the volume of Chinese exports, as established in recital 51 below.

(25) As the cooperation accounted for more than 50 % of total Chinese exports to the Union and the industry can be considered fragmented due to the high number of exporting producers in the PRC, the level of cooperation can be considered high. Therefore, the residual dumping margin was set at the level of the sampled company with the highest dumping margin.

(26) On this basis the definitive dumping margins expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	**Dumping Margin (%)**
Hebei Jianzhi	57,8
Jinan Meide	40,8
Qingdao Madison	24,6
Other cooperating companies	41,1
All other companies	57,8

2. **Indonesia**

2.1. *Normal value, export price and comparison*

(27) In the absence of any comments concerning normal value, export price and comparison, the findings in recitals 75 to 87 and 91 to the provisional Regulation with regard to Indonesia are hereby confirmed.

2.2. *Dumping margins*

(28) Given that the level of cooperation was considered high (the volume of exports of the sole cooperating Indonesian company represented more than 80 % of total Indonesian exports to the Union during the IP), the dumping margin for all other Indonesian exporting producers was set at the same level as for the cooperating company.

(29) On this basis the definitive dumping margins for the Indonesian companies expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	**Dumping Margin (%)**
PT. Tri Sinar Purnama	11,0
All other companies	11,0

3. **Thailand**

3.1. *Normal value, export price and comparison*

(30) No comments were received that would lead to any change in the methodology applied or the actual dumping calculation performed with regard to Thailand.

(31) Consequently, the findings in recitals 75 to 88 of the provisional Regulation concerning normal value, export price and comparison with regard to Thailand are hereby confirmed.

3.2. *Dumping margins*