Council Implementing Regulation (EU) No 871/2011 of 26 August 2011 terminating the expiry and partial interim review of the anti-dumping measures concerning imports of certain castings originating in the People's Republic of China and repealing those measures

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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 Articles 9 and 11(2), (3), (5) and (6) thereof,

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

Whereas:

1. **PROCEDURE**

1.1. **Measures in force**

(1) Following an anti-dumping investigation carried out pursuant to Article 5 of the basic Regulation, the Council, by Regulation (EC) No 1212/2005[(2)], imposed a definitive anti-dumping duty on imports of certain castings originating in the People's Republic of China. That Regulation was last amended by Regulation (EC) No 500/2009[(3)].

(2) Individual duty rates ranged from 0 % to 37,9 % depending on the manufacturer of the product concerned, and the residual duty level was set at 47,8 %.

1.2. **Requests for reviews**

(3) Following the publication of a notice of impending expiry of certain anti-dumping measures applicable to imports of certain castings originating in the People's Republic of China[(4)], the Commission received on 25 March 2010 a request for review pursuant to Article 11(3) of the basic Regulation and on 29 April 2010 another request for review pursuant to Article 11(2) of the basic Regulation.

(4) The request pursuant to Article 11(2) of the basic Regulation was lodged by the Eurofonte, acting on behalf of seven of its members, and by Fundiciones de Odena

(the applicants) on behalf of producers representing a major proportion, in this case more than 25 % of the Union production of certain castings.

(5) The request contained prima facie evidence showing that the expiry of the measures would be likely to result in a continuation or recurrence of dumping and injury to the Union industry.

(6) The request pursuant to Article 11(3) of the basic Regulation was lodged by Shandong Lulong Group Co. Ltd, an exporting producer from the People's Republic of China. The request was limited in scope to the examination of dumping as far Shandong Lulong Group Co. Ltd was concerned.

1.3. Initiations

(7) Accordingly, after consultation of the Advisory Committee, the Commission published a notice of initiation in the *Official Journal of the European Union*[(5)] of an expiry review of the anti-dumping measures applicable to imports of certain castings currently falling within CN codes 7325 10 50, 7325 10 92, ex 7325 10 99 (TARIC code 7325 10 99 10), and ex 7325 99 10 (TARIC code 7325 99 10 10), originating in the People's Republic of China.

(8) The Commission officially advised the exporting producers, importers concerned, the representatives of the People's Republic of China, the representative users and the Union producers of the initiation of the expiry review investigation. Interested parties were given the opportunity to make their views known in writing and to request a hearing within the time-limit set in the notice of initiation.

(9) The Commission also published in the *Official Journal of the European Union*[(6)] a notice of initiation of a partial interim review of the anti-dumping measures referred to under recital (7), limited in scope to the examination of dumping as far as Shandong Lulong Group Co. Ltd was concerned.

2. WITHDRAWAL OF THE REQUEST FOR EXPIRY REVIEW

(10) By a letter addressed to the Commission, dated 9 June 2011, the applicants formally withdrew their request. In their letter the applicants argued that, in view of the volatility of the relevant economic parameters, future injurious dumping could not be excluded. Under those circumstances they consider that a surge of Chinese imports could cast the viability of the Union industry into doubt and, on this basis, the applicants consider that the Commission should actively monitor imports of the product concerned and be ready to open a new proceeding at short notice.

(11) The Commission acknowledges that the castings market has been subject to significant changes in the last year, in particular due to the recent economic crisis which has had a significant impact on the construction industry and resulted in cuts in public spending for infrastructure projects. This has caused a general decline in demand, including for imports of certain castings. Since it is not clear how the market will develop in the short-to-medium term, the reappearance of injurious dumping can not be entirely excluded. It is therefore considered appropriate to monitor imports of

the product concerned originating in the People's Republic of China. The monitoring period should not exceed 24 months from the publication of the termination of the present proceeding. Furthermore, the Commission does not rule out the opening of a new investigation concerning the same product if and when evidence is provided that points to injurious dumping, in line with the requirements of the basic Regulation.

(12) In accordance with Article 9(1) and Article 11(2) of the basic Regulation, a proceeding may be terminated where the request for review is withdrawn unless such a termination would not be in the Union interest.

(13) It was considered that the present proceeding should be terminated since the investigation had not brought to light any consideration showing that its termination would not be in the Union interest. Interested parties were informed accordingly and were given the opportunity to submit comments. However, no such comments were received as would give reason to reach a different conclusion.

(14) It was therefore concluded that the anti-dumping expiry review proceeding concerning imports of certain castings originating in the People's Republic of China should be terminated and the existing measures should be repealed.

(15) As a consequence it was further concluded that the partial interim review limited in scope to the examination of dumping as far as Shandong Lulong Group Co. Ltd was concerned should also be terminated,

HAS ADOPTED THIS REGULATION:

Article 1

The expiry and partial interim review of the anti-dumping measures concerning imports of castings of non-malleable cast iron and spheroidal graphite cast iron (ductile iron) of a kind used to cover and/or to give access to ground or sub-surface systems, and parts thereof, whether or not machined, coated or painted or fitted with other materials, excluding fire hydrants, currently falling within CN codes 7325 10 50, 7325 10 92, ex 7325 10 99 (TARIC code 7325 10 99 10) and ex 7325 99 10 (TARIC code 7325 99 10 10), and originating in the People's Republic of China, are hereby terminated and those measures repealed.

Article 2

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 26 August 2011.

For the Council

The President

M. DOWGIELEWICZ