COMMISSION REGULATION (EC) No 395/2004

of 2 March 2004

initiating an investigation concerning the possible circumvention of anti-dumping measures imposed by Council Regulation (EC) No 964/2003 on imports of certain tube or pipe fittings, of iron or steel, originating, *inter alia*, in the People's Republic of China by imports of certain tube or pipe fittings, of iron or steel, consigned from Sri Lanka, whether declared as originating in Sri Lanka or not and making such imports subject to registration

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 384/96 of 22 December 1995 on protection against dumped imports from countries not members of the European Community [1] (the 'basic Regulation'), and in particular Article 13(3) and Article 14(3) and (5) thereof,

After having consulted the Advisory Committee,

Whereas:

A. **REQUEST**

(1) The Commission has received a request pursuant to Article 13(3) of Regulation (EC) No 384/96 to investigate the possible circumvention of the anti-dumping measures imposed on imports of certain tube or pipe fittings, of iron or steel, originating, *inter alia*, in the People's Republic of China.

(2) The request was lodged on 20 January 2004 by the Defence Committee of the Steel Butt-Welding Fittings Industry of the European Union on behalf of four Community producers.

B. **PRODUCT**

(3) The product concerned by the possible circumvention is tube or pipe fittings (other than cast fittings, flanges and threaded fittings), of iron or steel (not including stainless steel), with a greatest external diameter not exceeding 609,6 mm, of a kind used for butt-welding or other purposes, normally declared under CN codes ex 7307 93 11 (TARIC code 7307 93 11 94), ex 7307 93 19 (TARIC code 7307 93 19 94), ex 7307 99 30 (TARIC code 7307 99 30 94) and ex 7307 99 90 (TARIC code 7307 99 90 94) (the 'product concerned'). These codes are given for information only.

(4) The product under investigation is certain tube or pipe fittings, of iron or steel, consigned from Sri Lanka (the 'product under investigation') normally declared under the same codes as the product concerned.

C. **EXISTING MEASURES**

(5) The measures currently in force and possibly being circumvented are anti-dumping measures imposed by Council Regulation (EC) No 964/2003 [2].

D. **GROUNDS**

(6) The request contains sufficient prima facie evidence that the anti-dumping measures on imports of certain tube or pipe fittings, of iron or steel, originating in the People's Republic of China are being circumvented by means of transhipment and incorrect declaration of origin via Sri Lanka of certain tube or pipe fittings, of iron or steel.

(7) The evidence submitted is as follows:

The request shows that a significant change in the pattern of trade involving exports from the People's Republic of China and Sri Lanka to the Community has taken place following the imposition of measures on the product concerned, and that there is insufficient due cause or justification other than the imposition of the duty for such a change.

This change in the pattern of trade appears to stem from the transhipment and incorrect declaration of origin of certain tube or pipe fittings, of iron or steel, originating in the People's Republic of China via Sri Lanka.

Furthermore, the request contains sufficient evidence that the remedial effects of the existing anti-dumping measures on the product concerned are being undermined in terms of quantities. Significant volumes of imports of certain tube or pipe fittings, of iron or steel, from Sri Lanka appear to have replaced imports of the product concerned originating in the People's Republic of China.

Finally, the request contains sufficient evidence that the prices of certain tube or pipe fittings, of iron or steel, are dumped in relation to the normal value previously established for the product concerned.

Should circumvention practices via Sri Lanka covered by Article 13 of the basic Regulation other than transhipment and incorrect declaration of origin be identified in the course of the investigation, the investigation may cover these practices also.

[1] OJ L 56, 6.3.1996, p. 1, as last amended by Regulation (EC) No 1972/2002 (OJ L 305, 7.11.2002, p. 1).

[2] OJ L 139, 6.6.2003, p. 1, as last amended by Regulation (EC) No 2212/2003 (OJ L 332, 19.12.2003, p. 3).