

Official Journal

of the European Communities

ISSN 0378-6978

L 231

Volume 23

2 September 1980

English edition

Legislation

Contents

I *Acts whose publication is obligatory*

Commission Regulation (EEC) No 2295/80 of 1 September 1980 fixing the import levies on cereals and on wheat or rye flour, groats and meal 1

Commission Regulation (EEC) No 2296/80 of 1 September 1980 fixing the premiums to be added to the import levies on cereals, flour and malt 3

★ **Commission Regulation (EEC) 2297/80 of 29 August 1980 imposing a provisional anti-dumping duty on imports of certain polyester yarn originating in the United States of America 5**

Commission Regulation (EEC) No 2298/80 of 1 September 1980 amending Regulation (EEC) No 2227/80 introducing a countervailing charge on certain varieties of plums originating in Yugoslavia 9

II *Acts whose publication is not obligatory*

Commission

80/783/EEC :

★ **Commission Decision of 27 August 1980 accepting undertakings in connection with the anti-dumping proceedings concerning imports of studded welded-link chain, originating in Spain and Sweden and terminating those proceedings 10**

I

(Acts whose publication is obligatory)

COMMISSION REGULATION (EEC) No 2295/80**of 1 September 1980****fixing the import levies on cereals and on wheat or rye flour, groats and meal**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals⁽¹⁾, as last amended by Regulation (EEC) No 1870/80⁽²⁾, and in particular Article 13(5) thereof,

Having regard to Council Regulation No 129 on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy⁽³⁾, as last amended by Regulation (EEC) No 2543/73⁽⁴⁾, and in particular Article 3 thereof,

Having regard to the opinion of the Monetary Committee,

Whereas, the import levies on cereals, wheat and rye flour, and wheat groats and meal were fixed by Regulation (EEC) No 2035/80⁽⁵⁾ and subsequent amending Regulations;

Whereas, if the levy system is to operate normally, levies should be calculated on the following basis:

— in the case of currencies which are maintained in relation to each other at any given moment within

a band of 2.25 %, a rate of exchange based on their effective parity;

— for other currencies, an exchange rate based on the arithmetic mean of the spot market rates of each of these currencies in relation to the Community currencies referred to in the previous indent;

Whereas these exchange rates being those recorded on 29 August 1980;

Whereas it follows from applying the detailed rules contained in Regulation (EEC) No 2035/80 to today's offer prices and quotations known to the Commission that the levies at present in force should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

Article 1

The import levies to be charged on products listed in Article 1(a), (b) and (c) of Regulation (EEC) No 2727/75 shall be as set out in 26 Annex hereto.

Article 2

This Regulation shall enter into force on 2 September 1980.

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

Done at Brussels, 1 September 1980.

For the Commission

Finn GUNDELACH

Vice-President

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽²⁾ OJ No L 184, 17. 7. 1980, p. 1.

⁽³⁾ OJ No 106, 30. 10. 1962, p. 2553/62.

⁽⁴⁾ OJ No L 263, 19. 9. 1973, p. 1.

⁽⁵⁾ OJ No L 200, 1. 8. 1980, p. 1.

ANNEX

to the Commission Regulation of 1 September 1980 fixing the import levies on cereals and on wheat or rye flour, groats and meal

(ECU/tonne)

CCT heading No	Description	Levies
10.01 A	Common wheat, and meslin	77.94
10.01 B	Durum wheat	76.76 ⁽¹⁾ ⁽⁵⁾
10.02	Rye	54.71 ⁽⁶⁾
10.03	Barley	65.97
10.04	Oats	56.68
10.05 B	Maize, other than hybrid maize for sowing	69.42 ⁽²⁾ ⁽³⁾
10.07 A	Buckwheat	0
10.07 B	Millet	0 ⁽⁴⁾
10.07 C	Grain sorghum	63.08 ⁽⁴⁾
10.07 D	Canary seed; other cereals	0 ⁽⁵⁾
11.01 A	Wheat or meslin flour	122.29
11.01 B	Rye flour	89.80
11.02 A I a)	Durum wheat groats and meal	132.03
11.02 A I b)	Common wheat groats and meal	131.88

⁽¹⁾ Where durum wheat originating in Morocco is transported directly from that country to the Community, the levy is reduced by 0.60 ECU/tonne.

⁽²⁾ In accordance with Regulation (EEC) No 435/80, the levies are not applied to imports into the French overseas departments of products originating in the African, Caribbean and Pacific States or in the 'overseas countries and territories'.

⁽³⁾ Where maize originating in the ACP or OCT is imported into the Community the levy is reduced by 1.81 ECU/tonne.

⁽⁴⁾ Where millet and sorghum originating in the ACP or OCT is imported into the Community the levy is reduced by 50 %.

⁽⁵⁾ Where durum wheat and canary seed produced in Turkey are transported directly from that country to the Community, the levy is reduced by 0.60 ECU/tonne.

⁽⁶⁾ The import levy charged on rye produced in Turkey and transported directly from that country to the Community is laid down in Council Regulation (EEC) No 1180/77 and Commission Regulation (EEC) No 2622/71.

COMMISSION REGULATION (EEC) No 2296/80**of 1 September 1980****fixing the premiums to be added to the import levies on cereals, flour and malt**

THE COMMISSION OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Regulation (EEC) No
2727/75 of 29 October 1975 on the common organ-
ization of the market in cereals ⁽¹⁾, as last amended by
Regulation (EEC) No 1870/80 ⁽²⁾, and in particular
Article 15 (6) thereof,

Having regard to Council Regulation No 129 on the
value of the unit of account and the exchange rates to
be applied for the purposes of the common agricul-
tural policy ⁽³⁾, as last amended by Regulation (EEC)
No 2543/73 ⁽⁴⁾, and in particular Article 3 thereof,

Having regard to the opinion of the Monetary
Committee,

Whereas the premiums to be added to the levies on
cereals and malt were fixed by Regulation (EEC) No
2036/80 ⁽⁵⁾ and subsequent amending Regulations ;

Whereas, if the levy system is to operate normally,
levies should be calculated on the following basis :

— in the case of currencies which are maintained in
relation to each other at any given moment within

a band of 2.25 % a rate of exchange based on
their effective parity ;

— for other currencies, an exchange rate based on the
arithmetic mean of the spot market rates of each
of these currencies in relation to the Community
currencies referred to in the previous indent ;

Whereas these exchange rates being those recorded on
29 August 1980 ;

Whereas on the basis of today's cif prices and cif
forward delivery prices, the premiums at present in
force, which are to be added to the levies, should be
altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION :

Article 1

The premiums referred to in Article 15 of Regulation
(EEC) No 2727/75 to be added to the import levies
fixed in advance in respect of cereals and malt shall
be as set out in the Annex hereto.

Article 2

This Regulation shall enter into force on 2 September
1980.

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

Done at Brussels, 1 September 1980.

For the Commission

Finn GUNDELACH

Vice-President

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽²⁾ OJ No L 184, 17. 7. 1980, p. 1.

⁽³⁾ OJ No 106, 30. 10. 1962, p. 2553/62.

⁽⁴⁾ OJ No L 263, 19. 9. 1973, p. 1.

⁽⁵⁾ OJ No L 200, 1. 8. 1980, p. 4.

ANNEX

to the Commission Regulation of 1 September 1980 fixing the premiums to be added to the import levies on cereals, flour and malt

A. Cereals and flour

(ECU/tonne)

CCT heading No	Description	Current 9	1st period 10	2nd period 11	3rd period 12
10.01 A	Common wheat, and meslin	0	0	0	0
10.01 B	Durum wheat	0	0	0	0
10.02	Rye	0	0	0	0
10.03	Barley	0	0	0	0
10.04	Oats	0	0	0	0
10.05 B	Maize, other than hybrid maize for sowing	0	0	0	0
10.07 A	Buckwheat	0	0	0	0
10.07 B	Millet	0	0	0	0
10.07 C	Grain sorghum	0	0	0	0
10.07 D	Other cereals	0	0	0	0
11.01 A	Wheat or meslin flour	0	0	0	0

B. Malt

(ECU/tonne)

CCT heading No	Description	Current 9	1st period 10	2nd period 11	3rd period 12	4th period 1
11.07 A I (a)	Unroasted malt, obtained from wheat, in the form of flour	0	0	0	0	0
11.07 A I (b)	Unroasted malt, obtained from wheat, other than in the form of flour	0	0	0	0	0
11.07 A II (a)	Unroasted malt, other than that obtained from wheat, in the form of flour	0	0	0	0	0
11.07 A II (b)	Unroasted malt, other than that obtained from wheat, other than in the form of flour	0	0	0	0	0
11.07 B	Roasted malt	0	0	0	0	0

COMMISSION REGULATION (EEC) No 2297/80

of 29 August 1980

**imposing a provisional anti-dumping duty on imports of certain polyester yarn
originating in the United States of America**

THE COMMISSION OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Regulation (EEC) No
3017/79 of 20 December 1979 on protection against
dumped or subsidized imports from countries not
members of the European Economic Community⁽¹⁾,
and in particular Articles 10 and 11 thereof,

After consultations within the Advisory Committee
set up under that Regulation,

Whereas at the end of April 1980 the Commission
received a complaint lodged by the International
Rayon and Synthetic Fibres Committee (CIRFS) on
behalf of manufacturers accounting for almost all of
the Community production of polyester yarn;
whereas the complaint contained evidence of the exist-
ence of dumping in respect of the like product origi-
nating in the United States of America and of material
injury resulting therefrom especially in Italy and the
United Kingdom;

Whereas the said information supplied provided suffi-
cient evidence to justify initiating a proceeding;
whereas the Commission accordingly announced, by a
notice published in the *Official Journal of the Euro-
pean Communities*⁽²⁾, the initiation of a proceeding
concerning imports of certain polyester yarn origi-
nating in the United States of America, and
commenced an investigation of the matter at Commu-
nity level;

Whereas the Commission officially so advised the
exporters and importers known to be concerned, as
well as the representatives of the exporting country
and the complainants;

Whereas the Commission has given the parties
directly concerned the opportunity to make known
their views in writing and to be heard orally; whereas
only some of the importing and exporting parties
known to be concerned have taken the opportunity to
present detailed written submissions and none of
them requested oral hearings;

Whereas in order to arrive at a preliminary determina-
tion of dumping and injury the Commission sought
and verified all information it deemed to be necessary

and carried out inspections at the premises of those
exporters known to be concerned who had expressed
an interest in the procedure and who had significant
exports to the Community, namely the following
American companies: Carter Moore and Co Inc. New
York, N.Y.; Eastman Chemical International
Company, Kingsport, Tennessee; Macfield Texturing
Inc., Madison, North Carolina; Monsanto Textile
Company, St. Louis, Missouri; Titan Textile Company
Incorporated, New York, N.Y. and Unifi Incorporated,
Greensboro, North Carolina; whereas the Commis-
sion also carried out inspections at the premises of the
main complainant Community producers, including
in France, Rhone Poulenc Textile; in the Federal
Republic of Germany, Enka and Hoechst AG; in Italy
Montefibre SpA and in the United Kingdom, Cour-
taulds Ltd and ICI Ltd; whereas, with the exception
of the Monsanto Company, no importer has replied to
the questionnaire sent by the Commission and
consequently no visits have been made to importers'
premises although the figures provided by the
Monsanto Company's European offices were inspected
in Brussels;

Whereas the product alleged to be dumped is
exported to the Community in the form of either non-
textured or textured yarn;

Whereas, in so far as non-textured yarn is concerned,
in seeking to determine normal value the Commis-
sion had to take into account the allegation of the
complainants that domestic sales of this product in
the United States were being made at prices below
their cost of production during the period under inves-
tigation which extended from 1 May 1979 to 30 April
1980;

Whereas Eastman Chemical International Company
refused to state whether or not sales were made at
prices less than their cost of production and refused to
divulge any elements pertaining to the said cost;
whereas Monsanto Textile Company, stated that losses
were incurred on this product but declined to provide
details of its cost of production; whereas E.I. Dupont
de Nemours and Company declined to complete in
full the questionnaire sent to it by the Commission
on the basis that their exports to the Community were
insignificant and, in particular, did not make any
reply to that part of the questionnaire relating to
profit and costs of production;

⁽¹⁾ OJ No L 339, 31. 12. 1979, p. 1.

⁽²⁾ OJ No C 129, 30. 5. 1980, p. 2.

Whereas in these circumstances, the Commission had to base its preliminary determination on the basis of the information available, i.e., that contained in the complaint; whereas it consequently concluded that non-textured yarn was sold at a loss on the domestic market during the investigation period cited above;

Whereas, therefore, the Commission considered these sales as not having been made in the ordinary course of trade and established a constructed value using available information supplied by the complainants on the costs of materials, manufacture and overheads and including a 3 % profit margin considered to be reasonable;

Whereas the constructed value was compared at fob level with the weighted average prices for export shipments to the EEC during the investigation period as established during the on-the-spot investigations in the United States;

Whereas the preliminary examination showed a weighted average dumping margin of 15.6 % for Monsanto Textile Company, the largest known exporter of non-textured yarn to the Community;

Whereas the information used for calculating the dumping margin for Monsanto is considered to be the best evidence available in so far as calculations for all other US exports of this products to the EEC are concerned with the exception of these made by Eastman Kodak, for which the weighted average dumping margin disclosed by the preliminary examination is 13.7 %;

Whereas, as regards textured yarn, it was also alleged by the complainant that US producers of this product were selling at below cost of production on the domestic market; whereas, however, the Commission established during its investigations at the premises of the two major texturers concerned that this allegation was incorrect and that profits were made by these companies on the product in question during the investigation period; whereas the third producer of this product refused to disclose any details regarding its profitability but stated that a profit had been earned on it during the period; whereas on the basis of the information obtained from the two abovementioned companies the Commission provisionally concluded that sales of textured yarn on the domestic market during the investigation period were in the ordinary course of trade and that consequently normal value should be based on the domestic price;

Whereas, with regard to domestic prices, the questionnaire sent to all companies requested the range of prices prevailing and full details of product specifications together with an indication of the quantities sold at different prices; whereas Unifi and all other companies with the exception of Macfield Texturing Inc. either did not reply to the questionnaire or refused so to do; whereas during the investigation carried out at the offices of Unifi Inc., despite the insistence of Commission officials, no indication of prevailing prices nor any list of all transactions was provided whose completeness could be checked; whereas the investigators were thus unable to establish preponderant or weighted average domestic prices and thus had to limit themselves to spot-checks which disclosed dumping in certain transactions; whereas, however, it could not be established from these spot-checks whether the results obtained were representative or not; whereas in the circumstances it is considered that for Unifi Inc. the best solution available for the determination of normal value is to utilize the lowest US domestic fob prices contained in the complaint which refer to the products which represent the majority of exports to the Community and are situated in the middle of the price range of all products also exported; whereas, with regard to Titan Textile Co Inc. and to all other exporters which refused to provide any details of domestic prices, normal value has been based on the evidence available as is the case for Unifi Inc.; whereas, however, Macfield Texturing Inc., although it did not furnish all the necessary information relating to domestic sales during the investigation carried out at its offices, subsequently communicated to the Commission computer listings which the Commission has not yet been able to verify which claim to show all domestic sales and give a weighted average domestic price for each type concerned;

Whereas, in seeking to determine export prices to the Community, the Commission was also confronted with a lack of information from the companies visited for verification purposes: Macfield Texturing Inc., Titan Textile Co Inc. and Unifi Inc.; whereas in this respect no weighted average export prices or lists of all transactions were provided whose completeness could be verified; whereas, in these circumstances, in the case of Unifi Inc. it is considered that the best solution available is to use the highest export prices to the EEC contained in the complaint which refer to the products which represent the majority of exports to the Community and are situated in the middle of the price range of all such products; whereas, as concerns Titan Textile Inc. and all other exporters which refused to provide any details of export prices, the export price has been based on the evidence available as is the case for Unifi Inc.; whereas, in so far as Macfield Texturing Inc. is concerned, certain listings of export sales were presented whose completeness could not be established during the course of the investigation;

Whereas the preliminary examination showed a weighted average dumping margin of 9.6 % for Unifi Inc. and all other exporters who refused to provide information; whereas, with regard to Macfield Texturing Inc. which cooperated in providing some information as to its selling prices, calculation of a dumping margin is deferred until verification of the information supplied is completed;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that imports into the Community of the textured and non-textured yarn in question originating in the United States of America rose from 9 817 tonnes in 1978 to 27 878 tonnes in 1979; whereas imports of the polyester yarn in question originating in the United States of America into the United Kingdom and Italy, the two markets most affected, increased by 128.1 % and 938.5 % respectively between 1978 and 1979; whereas the American market share in the Community in 1979 was 10 % compared with 4 % in 1978; whereas in 1979 these imports took a market share of 9.9 % in Italy and 14.9 % in the United Kingdom compared to 1.6 % and 5.9 % respectively in 1978;

Whereas, in the second half of 1979 and the early months of 1980, the resale prices in the Community of the polyester yarn of American origin, for which dumping was found frequently undercut the prices of like yarn produced by Community manufacturers by margins reaching 20 % in some cases; whereas these margins would have been greater had Community producers not reduced their prices in an unsuccessful attempt to meet US competition and to preserve their market share;

Whereas the consequent impact on the Community industry takes the form principally of loss of market share and of a depression of Community prices for polyester yarn; whereas, for example, the share of the Community market held by Community manufacturers is estimated to have fallen by 4.7 % from 1978 to 1979; whereas during the same period the estimated decrease has been 7.9 % in Italy and 7.2 % in the United Kingdom; whereas the prices of yarn produced by Community manufacturers have on average gone down from January 1979 to April 1980; whereas the percentage of price depression has reached 20 % for certain types of yarn;

Whereas, with regard to the financial situation of Community producers, the Commission is aware that

the Community industry has experienced grave financial problems occasioned by virtual stagnation of production accompanied by considerable over-capacity which have led to extremely high losses being incurred; whereas, however, serious efforts have been made in 1978 and 1979 to remedy this situation by means of rationalization and in particular by substantially reducing capacity and by improving productivity; whereas as a result of these rationalization efforts the financial results of most of the Community producers improved; whereas, however, the depressive effect on selling prices resulting from the dumped imports at extremely low prices during the latter half of 1979 and early 1980 made it impossible for Community producers to increase their selling prices in order to cover sharply increased raw material costs and, therefore, Community producers' losses have again sharply increased;

Whereas, even after allowing for the effects of the restructuration, the impact of the dumped imports has been to necessitate the laying-off of a substantial number of workers, the closure of several plants, and short-time working; whereas employment in the Community industry has gone down by more than 1 300 units from January 1979 to April 1980; whereas, this reduction does not take account of some 1 400 workers who were during the same period either on short-time or being paid partially out of social welfare funds;

Whereas the Commission has considered whether there is injury caused by other factors which, individually or in combination, are also adversely affecting the Community industry; whereas the Commission has examined in particular in this context the level and prices of other imports, the level of demand in the Community for polyester yarn and the competition among Community producers; whereas the level of other imports declined in 1979; whereas, according to the information available to the Commission, the level of Community demand for polyester yarn increased slightly in 1979, while over this period the number of Community producers declined and the market share of third countries other than the USA also decreased.

Whereas, therefore, it is considered that none of these factors makes a significant contribution to the worsening of the situation of the Community producers; whereas the injurious effects attributed solely to dumping, i.e. loss of market share, personnel reduction and in particular a deterioration in the financial situation together represent material injury;

Whereas, in these circumstances, to prevent injury being caused during the proceeding, the interests of the Community call for immediate intervention consisting in the imposition of a provisional anti-dumping duty on imports of certain polyester yarn, originating in the United States of America at a rate which, having regard to the extent of injury caused, should be equal to the dumping margins provisionally established; whereas, since a dumping margin has not been established at this stage for Macfield Texturing Inc., the company should therefore be excluded from application of the provisional anti-dumping duty until such time as the preliminary investigation concerning it is completed,

HAS ADOPTED THIS REGULATION:

Article 1

1. A provisional anti-dumping duty is hereby imposed on certain polyester yarn, falling within Common Customs Tariff subheading ex 51.01 A and corresponding to NIMEXE codes 51.01-23, 25, 26 and 28, originating in the United States of America. This duty shall not apply to textured polyester yarn manufactured and exported by Macfield Texturing Inc., Madison, North Carolina.

2. The amount of the provisional anti-dumping duty referred to in paragraph 1 shall be as follows:

- (a) for textured yarn falling within NIMEXE code 51.01-23, 9.6 % and
- (b) for non-textured yarn falling within NIMEXE codes 51.01-25, 26 and 28, 15.6 %, except for non-

textured yarn manufactured and exported by Eastman Chemical International Company, Kingsport, Tennessee for which the amount of duty shall be 13.7 %.

3. The duty shall be on the basis of the value declared in accordance with Commission Regulation (EEC) No 1496/80 of 11 June 1980 on the declaration of particulars relating to customs value and on documents to be furnished⁽¹⁾.

4. The provisions in force concerning customs duties shall apply for the application of this duty.

5. The release for free circulation in the Community of the products referred to in paragraph 1 shall be subject to payment of a deposit, equivalent to the amount of the provisional duty.

Article 2

Without prejudice to Article 7 (4) (b) and (c) of Regulation (EEC) No 3017/79, the parties concerned may make known their views and apply to be heard orally by the Commission within a month of the entry into force of this Regulation.

Subject to Articles 11, 12 and 14 of Regulation (EEC) No 3017/79, this Regulation shall be applicable for four months or until the adoption by the Council of definitive measures.

Article 3

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

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

Done at Brussels, 29 August 1980.

For the Commission

Étienne DAVIGNON

Member of the Commission

⁽¹⁾ OJ No L 154, 21. 6. 1980, p. 16.

COMMISSION REGULATION (EEC) No 2298/80**of 1 September 1980****amending Regulation (EEC) No 2227/80 introducing a countervailing charge on certain varieties of plums originating in Yugoslavia**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1035/72 of 18 May 1972 on the common organization of the market in fruit and vegetables⁽¹⁾, as last amended by Regulation (EEC) No 1367/80⁽²⁾, and in particular the second subparagraph of Article 27 (2) thereof,

Whereas Regulation (EEC) No 2227/80⁽³⁾ introduced a countervailing charge on certain varieties of plums originating in Yugoslavia;

Whereas Article 26 (1) of Regulation (EEC) No 1035/72 laid down the conditions under which a

charge introduced in application of Article 25 of that Regulation is amended; whereas, if these conditions are taken into consideration, the countervailing charge on the import of certain varieties of plums originating in Yugoslavia must be amended,

HAS ADOPTED THIS REGULATION:

Article 1

The amount 2.30 ECU' appearing in Article 1 of Regulation (EEC) No 2227/80 is replaced by the amount 11.02 ECU'.

Article 2

This Regulation shall enter into force on 2 September 1980.

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

Done at Brussels, 1 September 1980.

For the Commission

Finn GUNDELACH

Vice-President

⁽¹⁾ OJ No L 118, 20. 5. 1972, p. 1.

⁽²⁾ OJ No L 140, 5. 6. 1980, p. 24.

⁽³⁾ OJ No L 222, 23. 8. 1980, p. 9.

II

(Acts whose publication is not obligatory)

COMMISSION**COMMISSION DECISION**

of 27 August 1980

accepting undertakings in connection with the anti-dumping proceedings concerning imports of studded welded-link chain, originating in Spain and Sweden and terminating those proceedings

(80/783/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3017/79 of 20 December 1979 on protection against dumped or subsidized imports from countries not members of the European Economic Community⁽¹⁾, and in particular Articles 9 and 10 thereof,

After consulting the Advisory Committee set up under that Regulation,

Whereas on 8 November 1979 the Commission received a complaint lodged by the majority of the Community producers of studded welded-link chain which contained evidence of the existence of dumping in respect of the like product, originating in Spain and Sweden and of material injury resulting therefrom;

Whereas the evidence was sufficient to justify the initiation of an investigation;

Whereas the Commission accordingly announced the initiation of proceedings concerning imports of studded welded-link chain, originating in Spain and Sweden⁽²⁾ and commenced an investigation of the matter at Community level;

Whereas the Commission officially so advised the exporters and importers known to be concerned;

Whereas the Commission gave the parties directly concerned the opportunity to make known their views in writing and to be heard orally, and to meet so that opposing views might be presented and rebuttal arguments put forward;

Whereas the majority of the parties made use of the opportunity to make known their views in writing and to be heard orally;

Whereas, for the purposes of a preliminary determination of the dumping margin and of injury, the Commission sought and verified all information it deemed necessary and made on the spot investigations of two Swedish producers, Ljusne Kätting AB, Ljusne and Bulten Kanthal AB, Ramnäs Bruk Division, Ramnäs, and two Spanish producers, Vicinay SA, Bilbao and Cadenas y Forjados SA, Las Arenas (Vizcaya), and one major importer in the United Kingdom, Beal & Son Ltd, Cardiff, contacted other importers in the Community and met on various occasions with Community producers as well as with representatives of the European Association of Anchor Chain Manufacturers;

Whereas account was also taken of information submitted by a third Swedish producer;

⁽¹⁾ OJ No L 339, 31. 12. 1979, p. 1.

⁽²⁾ OJ No C 303, 4. 12. 1979, p. 5.

Whereas, for the preliminary examination of dumping by the Spanish producers, the Commission compared their export prices to the Community with domestic prices on the Spanish market ;

Whereas, for these comparisons, representative or weighted average ex-factory prices were used for 1979, and account has been taken, in so far as requested, of differences in steel qualities used for the production of studded welded-link chain and of differences in the terms and conditions of sale bearing a direct relationship to the sales under consideration, in particular, of differences in payment terms, transport and ancillary costs ;

Whereas the preliminary examination of the facts shows the existence of dumping during the investigation period in respect of imports from one Spanish producer, Vicinay SA, Bilbao, the weighted average margin of which is 5 % ; whereas no dumping was found in respect of imports from the other producer, Cadenas y Forjados SA, Las Arenas (Vizcaya) ;

Whereas with respect to Sweden, account had to be taken of the fact that in 1979 sales on the Swedish market by the two producers concerned were made at a loss ; whereas, therefore, the Commission constructed the normal value on the basis of cost information provided by these producers and took account of overheads and a profit margin of 6 %, considered reasonable in view of previous performance and the present market situation ;

Whereas account has been taken of the fact that one of the Swedish producers of chain belongs to the same corporate group as one of its main suppliers of steel bars ; whereas, however, upon further verification the Commission's services were satisfied that the prices involved in these transactions were comparable to those involved in transactions between other parties which have no such link ;

Whereas the normal value thus established was compared with representative or weighted average export prices to the Community in 1979, due allowance being made for differences in steel qualities used for the production of studded welded-link chain and of differences in the terms and conditions of sale, bearing a direct relationship to the sales under consideration, in particular, of differences in transport and ancillary costs ;

Whereas the preliminary examination of the facts shows the existence of dumping in respect of imports from the two Swedish producers, the dumping margins being equal to the amount by which the constructed normal values exceed the weighted average prices at which the products were exported to the Community in 1979 ;

Whereas the weighted average dumping margins thus calculated amount to 15 % for the one and 10 % for the other Swedish producer ;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that imports into the Community of studded welded-link chain from Spain and Sweden have increased from 3 261 tonnes in 1977 to 7 207 in 1979 ; whereas, however, account has been taken of the fact that imports of second-hand chain, which do not directly affect and are not in direct competition with sales of new chain by the Community producers, are included in the above figures ;

Whereas the fact that a substantial amount of chain is used outside the Community for drilling-platforms or for mooring purposes, makes it impossible to calculate exactly the consumption inside the Community as well as the market shares held by the various exporters ; whereas, however, the information available suggests that the market share inside the Community, held by imports of studded welded-link chain, originating in Spain and Sweden, rose from approximately 17 % in 1977 to approximately 48 % in 1979 ;

Whereas the prices at which those imports were sold were very low, thus forcing all Community producers to align their prices downwards ; whereas offers at very low prices which did not result in actual sales have had the same effect ;

Whereas the consequent impact on the Community industry takes the form principally of a loss of production, a loss of market share and a depression of Community prices at a time at which the Community industry is already faced with serious difficulties as a result of the general market situation ; whereas, for example, Community production fell from approximately 18 730 tonnes in 1977 to approximately 8 885 tonnes in 1979, the market share in the Community held by Community producers fell from 74 % in 1977 to 23 % in 1979, and necessary price increases were prevented, thus forcing all Community producers to sell below their production costs ;

Whereas two French producers ceased the production of studded welded-link chain in 1978 and 1979, and one British producer has recently been forced to stop its production as well, with a consequent adverse effect on employment ; whereas most of the other producers make considerable losses on their sales ;

Whereas the Commission has examined whether injuries were caused by other factors which have adversely affected the Community industry ; whereas the volume of non-dumped imports was negligible ; whereas, however, demand in the shipbuilding and offshore industries declined, resulting in world-wide overproduction capacity ; whereas the adverse effects caused by this latter factor have not been attributed to the imports under consideration ;

Whereas, in view of the foregoing, the preliminary examination of the facts shows that dumping exists and that there is sufficient evidence of consequent material injury;

Whereas the exporters concerned were informed of the findings of the investigation and commented on them; whereas undertakings were subsequently offered by all exporters who had been found to be dumping;

Whereas the effect of these undertakings will be to increase export prices into the Community to levels eliminating but not exceeding the dumping margins;

Whereas the Commission has therefore determined that it is not now necessary to take protective action in respect of imports originating in Spain and Sweden and has decided to accept the undertakings offered and to terminate the proceedings without the imposition of anti-dumping duties,

HAS DECIDED AS FOLLOWS:

Article 1

The Commission hereby accepts the undertaking given in connection with the anti-dumping proceedings concerning studded welded-link chain⁽¹⁾ originating in Spain or Sweden.

Article 2

The anti-dumping proceedings concerning imports of studded welded-link chain originating in Spain or Sweden are hereby terminated.

Done at Brussels, 27 August 1980.

For the Commission

Étienne DAVIGNON

Member of the Commission

⁽¹⁾ Common Customs Tariff subheading: 73.29 B II A 1
NIMEXE code: 73.29-41.

