EUROPEAN
COMMISSION

Brussels, 5.8.2013
COM(2013) 564 final

2013/0272 (NLE)

Proposal for a

COUNCIL IMPLEMENTING REGULATION

extending the definitive anti-dumping duty imposed by Implementing Regulation (EU) No 511/2010 on imports of molybdenum wire, containing by weight at least 99,95 % of molybdenum, of which the maximum cross- sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm, originating in the People's Republic of China to imports of molybdenum wire, containing by weight at least 97 % of molybdenum, of which the maximum cross- sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm, originating in the People's Republic of China

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

Grounds for and objectives of the proposal

This proposal concerns the application of Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community ('the basic Regulation') in the investigation of possible circumvention of the anti-dumping measures imposed by Council Regulation (EC) No 511/2010 on imports of molybdenum wire, containing by weight at least 99,95% of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm ('the product concerned') originating from the People's Republic of China by imports of certain slightly modified molybdenum wires, containing by weight 97% or more but less than 99,95% of molybdenum, originating in the People's Republic of China.

General context

This proposal is made in the context of the implementation of the basic Regulation and is the result of an investigation which was carried out in line with the substantive and procedural requirements laid out in the basic Regulation and in particular Article 13 thereof.

Existing provisions in the area of the proposal

The measures were imposed by Council Regulation (EC) No 511/2010 imposing a definitive anti-dumping duty on imports of molybdenum wire, containing by weight at least 99,95% of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm ('the product concerned') originating from the People's Republic of China.

Consistency with the other policies and objectives of the Union

Not applicable.

2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

Consultation of interested parties

Interested parties concerned by the proceeding have had the possibility to defend their interests during the investigation, in line with the provisions of the basic Regulation.

Collection and use of expertise

There was no need for external expertise.

Impact assessment

This proposal is the result of the implementation of the basic Regulation.

The basic Regulation does not provide for a general impact assessment but contains an exhaustive list of conditions that have to be assessed.

3. LEGAL ELEMENTS OF THE PROPOSAL

Summary of the proposed action

The attached proposal for a Council Implementing Regulation is based on the findings of the investigation, which has confirmed that circumvention of the measures is taking place and that all other criteria for the establishment of circumvention as set out in Article 13(1) of the basic Regulation are met.

It is therefore proposed that the Council adopt the attached proposal to extend the anti-dumping measures on molybdenum wire, containing by weight at least 99,95% of molybdenum originating from the People's Republic of China to imports of certain slightly modified molybdenum wires, containing by weight 97% or more but less than 99,95% of molybdenum, originating in the People's Republic of China.

The relevant Council Regulation should be published in the *Official Journal of the European Union* no later than 19 September 2013.

Legal basis

Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community and in particular Article 13 thereof.

Subsidiarity principle

The proposal falls under the exclusive competence of the Union. The subsidiarity principle therefore does not apply.

Proportionality principle

The proposal complies with the proportionality principle for the following reasons:

The form of action is described in the above-mentioned basic Regulation and leaves no scope for national decision.

Indication of how the financial and administrative burden falling upon the Union, national governments, regional and local authorities, economic operators and citizens is minimized and proportionate to the objective of the proposal is not applicable.

Choice of instruments

Proposed instruments: Regulation.

Other means would not be adequate for the following reason: The above-mentioned basic Regulation does not provide for alternative options.

4. BUDGETARY IMPLICATION

The proposal has no implication for the Union budget.

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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 13 thereof,

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

Whereas:

1. Procedure

1.1. Existing measures

(1) In December 2009, the European Commission ('the Commission') by Regulation (EU) No1247/2009[2] ('the provisional anti-dumping regulation'), imposed a provisional anti-dumping duty on imports of molybdenum wire, containing by weight at least 99,95% of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm originating in the People's Republic of China ('PRC').

(2) In June 2010, the Council, by Implementing Regulation (EU) No 511/2010[3], imposed a definitive anti-dumping duty of 64,3% on the same imports. These measures will hereinafter be referred to as 'the measures in force' and the investigation that led to the measures in force will be hereinafter referred to as 'the original investigation'.

(3) In January 2012, following an anti-circumvention investigation pursuant to Article 13 of the basic Regulation, by Implementing Regulation (EU) No 14/2012[4] the Council extended the measures in force to imports of the product concerned consigned from Malaysia, whether declared as originating in Malaysia or not.

1.2. Request

[1] OJ L 343, 22.12.2009, p. 51.
[2] OJ L 336, 18.12.2009, p. 16.
[3] OJ L 150, 16.6.2010, p. 17.
[4] OJ L 8, 12.1.2012, p. 22.

(4) In November 2012, the Commission received a request pursuant to Articles 13(3) and 14(5) of the basic Regulation to investigate the possible circumvention of the anti-dumping measures imposed on certain molybdenum wires originating in the PRC by imports of certain slightly modified molybdenum wires, containing by weight 97% or more but less than 99,95% of molybdenum, originating in the PRC, and to make such imports subject to registration.

(5) The request was lodged by Plansee SE ('Plansee'), a Union producer of certain molybdenum wires that participated in the original investigation.

(6) The request contained sufficient *prima facie* evidence that the anti-dumping measures on imports of certain molybdenum wires originating in the PRC are being circumvented by means of imports of a certain slightly modified molybdenum wires, containing by weight 97% or more but less than 99,95% of molybdenum, originating in the PRC.

1.3. Initiation

(7) Having determined, after the consulting the Advisory Committee, that sufficient *prima facie* evidence existed for the initiation of an investigation pursuant to Articles 13(3) and 14(5) of the basic Regulation, the Commission initiated an investigation by Regulation (EU) No 1236/2012[5] ('the initiating Regulation') of the possible circumvention of anti-dumping measures imposed on imports of certain molybdenum wires originating in the PRC and also directed the customs authorities to register imports into the Union of molybdenum wire, containing by weight 97 % or more but less than 99,95 % of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm and currently falling within CN code ex 8102 96 00 (TARIC code 8102 96 00 30), originating in the People's Republic of China, as from 21 December 2012.

1.4. Product concerned and product under investigation

(8) The product concerned is the same as defined in the original investigation, namely molybdenum wire, containing by weight at least 99,95% of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm ('pure molybdenum') originating in the PRC currently falling within CN code ex 8102 96 00.

(9) The product under investigation, namely the product allegedly circumventing, is the same as that defined in recital (7) containing by weight 97% or more but less than 99,95% of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm originating in the PRC.

1.5. Investigation and parties concerned by the investigation

(10) The Commission officially advised the authorities of the PRC of the initiation of the investigation and sent questionnaires to the exporting producers in the PRC and importers in the Union known to be concerned. Interested parties were given the opportunity to make themselves and their views known in writing and to request a hearing within the time limit set in the initiating Regulation. All parties were informed that non-cooperation might lead to the application of Article 18 of the basic Regulation and to findings being based on facts available.

[5] OJ L 350, 20.12.2012, p.51.

(11) Two exporting producers submitted a questionnaire reply to the Commission. One of these companies, who also cooperated during the original investigation, is a genuine exporting producer of the product under investigation. As regards the second one, this company did not report any sales of the product under investigation. Therefore, its submission was disregarded.

(12) Four importers submitted a questionnaire reply to the Commission. One of them did not report any imports of the product under investigation and turned out to be a user of molybdenum wire.

(13) The Commission carried out on-spot investigations at the two premises of the cooperating Chinese exporting producer:

--- Jinduicheng Molybdenum Co., Ltd., No88, Jinye 1st Road, Hi-Tech Industry Developing Zone, Xi'an, Shaanxi Province, P.R. China ('JDC');

--- Jinduicheng GuangMing Co., Ltd., No104 Mihe Road, Zhoucun District, Zibo City, P.R. China.

and at the premises of the following Union importer:

--- GTV Verschleißschutz GmbH, Vor der Neuwiese 7, D-57629 Luckenbach, Germany ('GTV').

(14) The three other importers were not visited, but their submissions were duly examined in the course of the investigation.

1.6. Investigation and reporting periods

(15) The investigation period was set from 1 January 2008 to 30 September 2012 ('IP') in order to investigate the alleged change in the pattern of trade. The reporting period ('RP') covered the period from 1 October 2011 to 30 September 2012 in order to investigate if the imports are made at prices below the non-injurious price established in the investigation that led to the existing measures and the existence of dumping.

2. Results of the investigation

2.1. General considerations

(16) In accordance with Article 13(1) of the basic Regulation, the assessment of the existence of possible circumvention practices was made by analysing successively: (1) whether there was a change in pattern of trade between the PRC and the Union; (2) if this change stemmed from a practise, process or work for which there was insufficient due cause or economic justification other than the imposition of the duty; (3) if there was evidence of injury or that remedial effects of the duty were being undermined in terms of the prices and/or quantities of the product under investigation; and (4) whether there was evidence of dumping in relation to the normal values previously established for the like product, if necessary in accordance with the provisions of Article 2 of the basic Regulation.

2.2. Slight modification and essential characteristics

(17) The investigation has shown that the product under investigation is a wire made of molybdenum (between 99,6% and 99,7%) and usually lanthanum ('La') (between 0,25% and 0,35%). This alloy contains also other chemicals elements and is known as a 'doped molybdenum' or 'MoLa' or 'ML'. The product concerned and the product under investigation both currently fall under CN code 8102 96 00. As explained below, the investigation did not find any difference in the production process of the

product under investigation and the product concerned, other than the addition of a low percentage of lanthanum to pure molybdenum at the blending step. In addition, the cooperating exporting producer confirmed that the cost of production of the product under investigation is similar to the cost of the product concerned. This implies that there is no economic benefit for the exporting producer to produce the product under investigation other than avoidance of the measures in force. Furthermore, it was found that the users of the product concerned switched to the product under investigation after the imposition of the provisional measures, which implies that there is not difference between the product concerned and the product under consideration for the users.

(18) As mentioned in recital (15) of the provisional anti-dumping regulation, the product concerned is mainly used as coating in the manufacturing of automotive parts (i.e. gear boxes), aircraft parts or as electrical contacts. The most traded diameters of the product concerned are 2,31 mm and 3,17 mm, used for flame or arc spraying.

(19) Three parties argued that the product under investigation and the product concerned have different essential characteristics. At the request of two of them, a confrontational hearing with GTV, JDC and Plansee, chaired by the Hearing Officer took place in April 2013. As explained in detail below, during the hearing the main focus was on the alleged technical differences between the product concerned and the product under investigation, and the economic justification for importation of the latter into the Union market.

(20) GTV and JDC argued during the hearing and in writing that the product under investigation has different essential physical characteristics which differ significantly from the product concerned. More specifically, they claimed that the ductility, namely the ability of the material to be drawn out longitudinally to a reduced section without fracture under the action of a tensile force, the elongation parameters and the coating properties of the product under investigation are especially improved compared to the product concerned.

(21) In support of this claim, the two parties submitted a number of articles and studies which aimed to show that alloying molybdenum and lanthanum leads to a product with better resistance to brittle failure and better elongation than the product concerned. These parties also claimed that information published on the Plansee's web site provides evidence that the product under investigation has improved properties compared to the product concerned.

(22) Regarding the product's characteristics, in order to evaluate whether the product under investigation and the product concerned have different essential characteristics, Plansee proposed to mandate an independent institute to compare the product concerned and the product under investigation.

(23) After the hearing, the above request was assessed on the basis of the evidence collected during the investigation, in particular the purchase orders sent by importers to the exporting producer, the explanations provided by the exporting producer about its production process, the chemical content and elongation and tensility characteristics mentioned on certificates of qualities, the commercial invoices issued by the exporting producer and the absence of any commercial information related to the improved characteristic of the product under investigation compared to the product concerned sent to any customer. All the information confirmed that better properties were not requested by the customers nor provided by the producer of the product

under investigation. Therefore, it was concluded that an expert's opinion is not necessary. In consequence, this request was rejected.

(24) In this aspect, the investigation has confirmed that the improved qualities mentioned above in recital (20) depend on the content of lanthanum and on whether an optimized production processes is being used. However, the cooperating exporting producer did not demonstrate that it put in place the optimized production processes for the product under investigation exported to the EU during the IP. The claim was therefore rejected as unfounded.

(25) One party claimed that the product under investigation has improved coating properties. However, the party did not submit sufficient evidence to support this statement. The claim was therefore rejected as unfounded.

(26) Two parties claimed that fracture toughness is improved for the product under investigation. This means that the wire never breaks when unrolled inside a spraying machine. However, these parties were asked to provide supporting documentation but failed in doing this. In the absence of any supporting evidence, this claim was disregarded.

(27) In the light of the above, it has been concluded that the product under investigation has no different properties compared to the product concerned.

(28) Furthermore, the evidence collected during the verification visits shows that users/importers did not specifically request the product with the claimed better physical characteristics as described above in recital (20) when placing their orders. None of them requested a specific content of lanthanum but did request at least 99% of pure molybdenum. Only one customer requested specific physical characteristics for the parameters of elongation and tensility. In this case, the exporting producer tested these parameters and provided this customer with certificates of quality. As these certificates were also delivered for the product concerned, it was possible to compare the two products for these parameters. The comparison showed that the requirements for elongation and tensility were identical for both products.

(29) In addition, the investigation showed that the exporting producer did not inform the market or their customers on the alleged advantages of the product under investigation over the product concerned and did not market the slightly modified MoLa wires as a new or different product.

(30) Based on a patent registered by Plansee in January 1996, one party claimed that the product concerned and the product under investigation are different products. Analysis of this claim showed that the patent does not concern the product under investigation but the use of a molybdenum alloy as a lead-in conductor for lamps, electron tubes and similar components. Furthermore, the diameters of this product type are lower than the diameters defined for the product under investigation. In addition, as mentioned above in recital (24), the alleged improved qualities of MoLa over the product concerned depend on the use of an optimized production process. The claim is therefore rejected.

(31) Therefore, it has to be concluded that from a customer's point of view, the product concerned and the product under investigation are very similar.

(32) One party claimed that the commercial offers published on Plansee's web site show that they offered the product under investigation not only in the field of thermal spraying but also in various other domains (i.e. lamp components, wire cutting industries). However, Plansee's commented that the commercial information published on its web site indicates the diameters for which they are able to supply. In

addition, the investigation showed that Plansee's sales for other domains are very limited (i.e. less than 2% in quantity compared with the sales of the product concerned) and that an optimized production processes was used. Therefore, this claim was rejected.

(33) One party claimed that Plansee was already producing the product under investigation when it lodged the complaint which led to the initiation of the original investigation and since Plansee considers that the product under investigation and the product concerned share the same essential characteristics, they should have included it in the scope of the original investigation. However, as explained above recital (32), the investigation confirmed that this particular MoLa wire is different from the product under investigation. The product diameters are generally below 1mm and it is mainly used in the lighting industry. Moreover, as mentioned below in Table 1, the imports of the product under investigation started only after provisional measures were imposed on the product concerned. Therefore, in the absence of any imports of the product under investigation during the IP of the original investigation, there were no reasons to include this product in the product scope. The claim is therefore rejected as unfounded.

(34) One party claimed that the expansion of the range from 99,95% down to 97% will cover all kinds of molybdenum alloys and in consequence, these products would not be available on the EU market (i.e. for example for the re-drawing market). Firstly, this party did not present any evidence supporting this statement. Secondly, the investigation has shown that only one exporting producer was exporting MoLa to the Union during the IP and no other alloys which would be covered by the definition of the product under investigation. Thirdly, the investigation showed that the market in the EU for redrawing and sales of molybdenum alloys is very limited. Finally, the extension of the measures will not make it impossible to import the product under investigation. The claim was therefore rejected.

(35) As far as the questions of whether or not the modification mentioned in recital (19) altered the essential characteristics of the product concerned, the information provided by the cooperating parties analysed in recital (24) to recital (32), revealed that the product under investigation has the same basic physical characteristics and uses as the product concerned.

(36) In consequence, it was found that there are no relevant physical characteristics differences between the product under investigation and the product concerned. Therefore, it was concluded that the product under investigation is considered as a like product within the meaning of Article 1(4) of the basic Regulation.

(37) Therefore, it has to be concluded that the product under investigation is only slightly modified compared to the product concerned, imported for no other economic justification but to circumvent the anti-dumping duties in place.

2.3. Change in the pattern of trade

2.3.1. Imports of molybdenum wires into the Union

(38) Information about the Union imports could not be directly obtained from Eurostat data, as the CN code under which the product under investigation is declared includes also other products than the product under investigation. Therefore, in the absence of specific import statistics for the product under investigation, Eurostat data was adjusted in accordance with the method suggested in the request. Accordingly, the volume of imports of the product under investigation into the Union was established on the basis of an estimation of the EU consumption of molybdenum wires adjusted by

the total EU production of the product concerned. This method was found to be reliable to obtain data relating to the product under investigation.

(39) As mentioned in recital (11), only one exporting producer in the PRC cooperated with the investigation. However, on the basis the comparison of the of the information given by this exporting producer with the adjusted Eurostat data mentioned in the previous recital, it was established that this company represented most of the total EU imports of the product under investigation during the IP and was thus considered to be representative for the total EU imports of molybdenum wires.

(40) As shown in the table below, the imports into the Union of the product concerned stopped entirely after the imposition of the definitive measures in June 2010 and were immediately replaced by imports of the product under investigation.

Table 1: Evolution of the imports of the product concerned and product under investigation originating the PRC

Imports to the EU	2008	2009	01/01/2010* - 16/06/2010	17/06/2010** - 31/12/2010	2010	2011	RP***
(1) Total Imports – (tonnes indexed)	100	31	10	17	27	128	99
Total Imports	100%	100%	100%	100%	100%	100%	100%
Product Concerned	100%	100%	20%	0%	7%	0%	0%
Product Under Investigation	0%	0%	80%	100%	93%	100%	100%

(1) Indexed on the basis of volume in kg reported by the cooperating exporting producer. (i.e. 2008=100). Refer to recital (37). Imports= Product concerned + Product under investigation

* period corresponding to the imposition of the provisional measures

** period corresponding to the imposition of the definitive measures

*** RP= reporting period from 1st October 2011 to 30 September 2012

Source: JDC submission

(41) The investigation confirmed that parties which purchased the product under investigation after the imposition of the provisional duty were purchasing the product concerned before the imposition of the measures. These parties purchased 99,8% of the total quantity of the product under investigation during the RP.

(42) Two interested parties claimed that as early as in 2007, they started a project to develop the product under investigation in the PRC and thus the exports of the product under investigation was not linked to the imposition of the measures on the product concerned. However, the investigation did not confirm the materiality of such a project. Altogether, one email, the minutes of one phone conference and the export of a sample of the product under investigation for further analysis were provided. Furthermore, this project did not result in any sales of the product under investigation to the EU before the imposition of the provisional measures on the product concerned, namely in October 2010. Nevertheless, the fact that a project was allegedly initiated in 2007 does not change the finding that the product concerned and the product under investigation are similar. The conclusion reached in the investigation that there was no

economic justification for the export of the product under investigation than the imposition of the measures on the product concerned also remain valid.

(43) The investigation also showed that no sales of the product under investigation were made to other countries than the EU and that only limited quantities were sold in the Chinese market during the IP as shown in table 2 below.

Table 2: Product under investigation market

	2008	2009	01/01/2010-16/06/2010	17/06/2010-31/12/2010	2010	2011	1/10/2011-30/09/2012
(1) Total Turnover (indexed)	100	96	863	1529	2393	11168	8123
Total Turnover	100%	100%	100%	100%	100%	100%	100%
Domestic sales (PRC)	100%	100%	5%	4%	4%	0.4%	2%
EU sales	0%	0%	95%	96%	95%	99,6%	98%
Other countries sales	0%	0%	0%	0%	0%	0%	0%
(1) methodology as described for Table 1. Source: JDC submission							

(44) Based on the above, the claim is rejected.

2.3.2. Conclusion on the change of pattern of trade

(45) The overall increase of exports of the product under investigation to the EU from the PRC after the imposition of the provisional and the definitive measures and the parallel decrease of the imports of the product concerned constituted a change of pattern of trade between the PRC and the Union.

2.4. Nature of the circumvention practise and insufficient due cause or economic justification

(46) Article 13(1) of the basic regulation requires that the change in pattern of trade stems from a practise, process or work for which there is insufficient due cause or economic justification other than the imposition of duty.

(47) As mentioned in recital (41), it was concluded that there is a change in pattern of trade.

(48) As mentioned in recitals (28) and (29), it was concluded that neither the exporting producer nor the importers informed the market or their customers on the alleged advantages of the product under investigation over the product concerned and did not market the product under investigation as a new or different product.

(49) Furthermore, both the product concerned and the product under investigation are mainly used as spray wires in the automotive industry and that the end-users of the both products are the same.

(50) One party claimed that the product under investigation provides significant improvements when used as spray wire. These improvements have an impact on the productivity of coating gear components, by minimizing production interruption due to brittle wire failure. However, the investigation has confirmed that this party did not market the product under investigation nor informed its customers about the alleged different technical characteristics or about the improvements brought by the product under investigation. In addition, the customers did not specifically ask for the improvements. The claim was therefore rejected as unfounded.

(51) One party claimed that one user switched to the product under investigation because of the technical failures of the product concerned. However, this party was asked to provide supporting documentation but failed in doing this. In the absence of any supporting evidence, this claim was disregarded.

(52) GTV claimed that MoLa used for spray coating provides better results when considering the coating micro hardness. This allows avoiding wear by material transfer from the surface of a component rubbing on a counterpart. This party submitted test results from an independent laboratory showing that micro hardness can be improved with the use of MoLa. However, the methodology used by the independent laboratory did not guarantee the outcome as the test was realized on only one batch of wire while this party claimed that a further test analysis should cover a multitude of batches. In addition, the chemical composition of the sample tested was not analysed which means that there is no guarantee that the batch analysed was actually the product under investigation. The claim was therefore rejected as unfounded.

(53) The investigation did not bring to light any other due cause or economic justification for the imports of the product under investigation other than the avoidance of the payment of the duty in force.

(54) It is therefore concluded that, in the absence of any other sufficient due cause or economic justification within the meaning of the second sentence of Article 13(1) of the basic Regulation, the change in the pattern of trade between the PRC and the Union was due to the imposition of the measures in force.

2.5. Undermining of the remedial effects of the duty in terms of the prices and/or the quantities of the like product

(55) To assess whether the imports of the product under investigation, in terms of quantities and prices, undermined the remedial effects to the measures in force, data provided by one cooperating exporting producer as described in recital (39) were used.

(56) The increase in imports of the product under investigation from the PRC as from the imposition of the provisional measures was significant in terms of quantities. The level of imports into the EU from the PRC in the RP corresponds to the level of imports of the product concerned originating in the PRC to the Union in 2008, before the imposition of measures.

(57) The comparison of the injury elimination level as established in the original Regulation and the weighted average of exports price showed significant underselling. It was therefore concluded that the remedial effects of the measures in force are being undermined both in terms of quantities and prices.

2.6. Evidence of dumping in relation to the normal value previously established for the like product

(58) Export prices of the product under investigation have been established on the basis of the verified information provided by the cooperating exporting producer.

(59) These export prices were found to be slightly lower compared to the export prices of the product concerned previously established in the original investigation. Two interested parties confirmed that there is almost no price difference between the product concerned and the product under investigation.

(60) Therefore, in accordance with article 13(1) of the basic Regulation, it was considered appropriate to compare the normal value previously established in the original investigation with the export price of the product under investigation.

(61) As mentioned in recital (24) and (25) of the provisional regulation, the USA was considered to be an appropriate market economy analogue country. It is recalled that since the analogue country producer made only marginal sales on the domestic US market, it was found unreasonable to use US domestic sales data for the purposes of determining or constructing normal value. Consequently, the normal value for the PRC was established on the basis of export prices from the USA to other third countries, including the Union.

(62) One party claimed that the normal value established in the original should be adjusted because the price of molybdenum oxide, which is a decisive factor for the price setting of both the product concerned and the product under investigation, fell sharply in the reporting period of this investigation. As mentioned above in recital (61), normal value in the original investigation was established on the basis of the prices charged for export by a producer located in the USA and not on the basis of its costs. Therefore, any adjustment based on costs does not seem to be appropriate in this case. Because the price of the main raw material decreased significantly it appears even more clearly that prices elements should be used to establish the relevant normal value in this case.

(63) The adjustment to the normal value was thus established on the basis of the evolution of prices of the product concerned. Given that the US producer stopped its activity and that no information was available from the analogue country, the adjustment was calculated on the basis of the prices reported by Plansee in the original investigation and during the RP. This led to a downwards adjustment of about 20% to the normal value established in the original investigation.

(64) In accordance with Article 2(11) and 2(12) of the basic Regulation, dumping was calculated by comparing the adjusted weighted average normal value as established in the original investigation and the weighted average export prices of the product under investigation established during this investigation's RP, expressed as a percentage of the net, free-at-Union- frontier price, before customs duty.

(65) The comparison of the adjusted weighted average normal value and the weighted average export prices showed the existence of dumping.

3. REQUESTS FOR EXEMPTION

(66) One exporting producer in the PRC, requested an exemption from the possible extended measures in accordance with Article 13(4) of the basic Regulation and submitted a questionnaire reply.

(67) The investigation has however confirmed that this producer circumvented the measures in place. It was therefore concluded to reject the request.

4. MEASURES

(68) In view of the findings above, it was concluded that the definitive anti-dumping duty imposed on imports of molybdenum wires originating in the PRC was circumvented by imports of a certain slightly modified molybdenum wires originating in the PRC.

(69) In accordance with the first sentence of Article 13(1) of the basic Regulation, the existing anti-dumping measures on imports of the product concerned originating in the PRC, should be extended to imports of the product under investigation.

(70) Pursuant to Articles 13(3) and 14(5) of the basic Regulation, which provide that any extended measures shall be applied against registered imports from the date of registration, the anti-dumping duty should be collected on all imports of into the Union of molybdenum wire, containing by weight 97 % or more but less than 99,95 % of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm and currently falling within CN code ex 8102 96 00 (TARIC code 8102 96 00 30) which entered the Union under registration imposed by the initiating Regulation.

5. DISCLOSURE

(71) All interested parties were informed of the essential facts and considerations leading to the above conclusions and were invited to comment. The oral and written comments submitted by the parties were considered. None of the arguments presented gave rise to a modification of the findings.

HAS ADOPTED THIS REGULATION:

Article 1

The definitive anti-dumping duty imposed by Implementing Regulation (EU) No 511/2010 on imports of molybdenum wire, containing by weight at least 99,95 % of molybdenum, of which the maximum cross- sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm, originating in the People's Republic of China, is hereby extended to imports into the Union of molybdenum wire, containing by weight at least 97 % of molybdenum, of which the maximum cross- sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm, originating in the People's Republic of China, currently falling within CN code ex 8102 96 00 (TARIC code 8102 96 00 30).

Article 2

The duty shall be collected on imports registered in accordance with Article 2 of Implementing Regulation (EU) No 1236/2012 and Articles 13(3) and 14(5) of Regulation (EC) No 1225/2009 of imports into the Union of molybdenum wire, containing by weight 97 % or more but less than 99,95 % of molybdenum, of which the maximum cross-sectional dimension exceeds 1,35 mm but does not exceed 4,0 mm and currently falling within CN code ex 8102 96 00 (TARIC code 8102 96 00 30), originating in the People's Republic of China.

Article 3

Customs authorities are hereby by directed to discontinue the registration of imports established in accordance with Article 2 of Regulation (EU) 1236/2012.

Article 4

This Regulation shall enter into force on the day following that of 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,

For the Council
The President