

COMMISSION IMPLEMENTING REGULATION (EU) 2023/131**of 18 January 2023****amending Implementing Regulation (EU) 2019/1259 imposing a definitive anti-dumping duty 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 subjecting imports of tube or pipe cast fittings originating in the People's Republic of China to surveillance**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union ⁽¹⁾, and in particular Article 14(1) thereof,

Having regard to Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code ⁽²⁾, and in particular Article 56(5) thereof,

Whereas:

- (1) By Commission Implementing Regulation (EU) 2019/1259 ⁽³⁾, the European Commission imposed definitive anti-dumping duties on imports of threaded tube or pipe cast fittings, of malleable cast iron and spheroidal graphite cast iron, excluding bodies of compression fittings using ISO DIN 13 metric thread and malleable iron threaded circular junction boxes without having a lid, originating in the People's Republic of China ('the PRC') and Thailand ('the product concerned').
- (2) The main input raw materials for the product concerned are metal scrap, coke/electricity/gas, sand (for moulding) and zinc (for galvanisation). The first step of the manufacturing process is the melting of metal scrap. This is followed by the moulding process and the casting of various shapes which are then separated into single pieces. The products have to go through a lengthy annealing process to ensure that they are sufficiently malleable to be used in applications where, for example, shock and vibration resistance are required and to withstand rapid temperature changes. Subsequently, fittings can be galvanized. Then final manufacturing steps including the threading and other machining take place.
- (3) According to Implementing Regulation (EU) 2019/1259, the Chinese exporting producer Jinan Meide Casting Co., Ltd ('Jinan Meide'), TARIC ⁽⁴⁾ additional code B336, is subject to the anti-dumping measures imposed by Implementing Regulation (EU) 2019/1259.
- (4) In the course of 2021 and 2022, the Union industry of the like product submitted information to the Commission regarding the acquisition of Odlewnia Zawiercie S.A., a producer of the like product located in Poland, by Meide Group Co., Ltd. ('Meide Group'), a company established in the PRC.

⁽¹⁾ OJ L 176, 30.6.2016, p. 21.

⁽²⁾ OJ L 269, 10.10.2013, p. 1.

⁽³⁾ Commission Implementing Regulation (EU) 2019/1259 of 24 July 2019 imposing a definitive anti-dumping duty 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, following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L 197, 25.7.2019, p. 2).

⁽⁴⁾ The Integrated Tariff of the European Union.

- (5) Based on public information, the transaction was approved by the competent national authorities ⁽⁵⁾ and was then completed ⁽⁶⁾.
- (6) Meide Group is active in the production and sale of the product concerned, among other products. In addition, Meide Group is engaged in the import and export of its products and those of third parties ⁽⁷⁾. The product concerned exported by Meide Group from the PRC to the Union is subject to the anti-dumping measures imposed by Implementing Regulation (EU) 2019/1259.
- (7) Meide Group and Jinan Meide are related companies.
- (8) Therefore, the Commission considered that the completion of the transaction warranted a change to the relevant TARIC codes in order to better monitor imports, for the reasons that follow.
- (9) The product concerned currently falls under Combined Nomenclature ('CN') code ex 7307 19 10 (TARIC codes 7307 19 10 10 and 7307 19 10 20).
- (10) Besides the TARIC codes subject to measures, the residual TARIC code 7307 19 10 90 includes a number of products, among them the two products expressly excluded by the product definition of the product concerned (i. e., bodies of compression fittings using ISO DIN 13 metric thread and malleable iron threaded circular junction boxes without having a lid) and also unthreaded tube or pipe cast fittings.
- (11) Threading is only the last manufacturing step of the product concerned. Therefore, unthreaded and semi-finished tube or pipe cast fittings could be imported in the Union under the residual TARIC code, to which anti-dumping measures do not apply, and could undergo the threading process within the Union.
- (12) The Commission considered the data retrievable from the current TARIC code structure not sufficiently adequate to monitor the import flows of unthreaded tube or pipe cast fittings from the PRC, because they are currently mixed with the high number of products falling within the residual TARIC code 7307 19 10 90.
- (13) Therefore, the TARIC codes under CN code ex 7307 19 10 should be restructured into threaded (TARIC codes 7307 19 10 03, 7307 19 10 05, 7307 19 10 10, 7307 19 10 13, 7307 19 10 20, 7307 19 10 30), or unthreaded (TARIC codes 7307 19 10 35, 7307 19 10 40, 7307 19 10 45) products. Moreover, for both threaded and unthreaded products, it should be specified whether they are made of malleable cast iron (TARIC codes 7307 19 10 10 and 7307 19 10 35 respectively), spheroidal graphite cast iron (TARIC codes 7307 19 10 20 and 7307 19 10 40 respectively) or other materials (TARIC codes 7307 19 10 30 and 7307 19 10 45 respectively). Finally, within the threaded tube or pipe fittings of malleable cast iron and spheroidal graphite cast iron, new specific TARIC codes should be created for the products expressly excluded by the product definition of the product concerned, namely bodies of compression fittings using ISO DIN 13 metric thread, of malleable cast iron (TARIC code 7307 19 10 03), malleable cast iron threaded circular junction boxes without having a lid (TARIC code 7307 19 10 05) and bodies of compression fittings using ISO DIN 13 metric thread, of spheroidal graphite cast iron (TARIC code 7307 19 10 13).
- (14) The TARIC codes to which measures apply – TARIC codes 7307 19 10 10 and 7307 19 10 20 – remain unchanged and only the description should be updated to 'Other' to ensure consistency with the new TARIC structure.

⁽⁵⁾ See https://uokik.gov.pl/news.php?news_id=17989 and Decision DKK-83/2022 of 16 March 2022, available at: https://uokik.gov.pl/koncentracje.php?news_id=17397

⁽⁶⁾ See both the Orbis M&A database and <https://globallegalchronicle.com/meide-groups-acquisition-of-odlewnia-zawiercie/>

⁽⁷⁾ See Decision DKK-83/2022, cit.

- (15) This new TARIC structure will enable the Commission to monitor adequately the development of imports of tube or pipe cast fittings from the PRC, in particular the import flows of unthreaded tube or pipe cast fittings from the PRC, which are not subject to anti-dumping measures, in comparison with imports of the product concerned subject to anti-dumping measures. In order to ensure the availability of the data, imports of tube or pipe cast fittings from the PRC will be subject to surveillance.
- (16) The measures provided for in this Regulation are in accordance with the opinion of the Committee established by Article 15(1) of Regulation (EU) 2016/1036 and of the Customs Code Committee established by Article 285 of Regulation (EU) No 952/2013,

HAS ADOPTED THIS REGULATION:

Article 1

The following paragraphs are added to Article 1 of Implementing Regulation (EU) 2019/1259:

‘6. The following new TARIC codes and descriptions shall be created for the products indicated:

	---- Threaded
	----- Of malleable cast iron
7307 19 10 03	----- Bodies of compression fittings using ISO DIN 13 metric thread
7307 19 10 05	----- Circular junction boxes without having a lid
	----- Of spheroidal graphite cast iron
7307 19 10 13	----- Bodies of compression fittings using ISO DIN 13 metric thread
7307 19 10 30	----- Other
	---- Unthreaded
7307 19 10 35	----- Of malleable cast iron
7307 19 10 40	----- Of spheroidal graphite cast iron
7307 19 10 45	----- Other

7. The following new descriptions shall be attributed to the TARIC codes indicated:

7307 19 10 10	----- Other
7307 19 10 20	----- Other'

Article 2

Imports under the TARIC codes mentioned in Article 1, or any corresponding future codes, originating in the People's Republic of China shall be subject to surveillance to allow the Commission to follow the statistical trends of imports of tube or pipe cast fittings, in accordance with Article 56(5) of Regulation (EU) No 952/2013.

Article 3

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, 18 January 2023.

For the Commission
The President
Ursula VON DER LEYEN
