

EXECUTIVE SUMMARY

OF

THE REQUEST FOR A PARTIAL INTERIM REVIEW

IN ACCORDANCE WITH ARTICLE 19 OF REGULATION (EU) 2016/1037 ON

PROTECTION AGAINST SUBSIDIZED IMPORTS FROM COUNTRIES NOT

MEMBERS OF THE EUROPEAN UNION

CONCERNING

THE ANTI-SUBSIDY MEASURE IMPOSED ON IMPORTS OF TUBES AND PIPES

OF DUCTILE CAST IRON ORIGINATING IN INDIA

BY

COMMISSION IMPLEMENTING REGULATION NO. 2016/387 OF 17 MARCH 2016

ON BEHALF OF

ELECTROSTEEL CASTINGS LIMITED

1. PRODUCT CONCERNED

1. The product concerned by the present partial interim review request is tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron) ["Ductile pipes"] originating in India, currently falling within CN codes ex 7303 00 10 and ex 7303 00 90 (TARIC codes 7303 00 10 10 and 7303 00 90 10). Ductile pipes without an internal and external coating (also termed as "bare pipes"), originating in India, currently falling in TARIC codes 7303 00 10 20 and 7303 00 90 20 are excluded from the product scope.
2. Ductile pipes are used for drinking water supply, sewage disposal and irrigation of agricultural land. The main final users of the product are public utility companies.

2. BACKGROUND

3. On 11 March 2015, the European Commission initiated an anti-subsidy investigation against imports of Ductile pipes originating in India.¹
4. On 18 March 2016, Commission Implementing Regulation 2016/387² imposed a 9% countervailing duty on Electrosteel Castings India Ltd. ["ECL India"], an Indian exporting producer of Ductile pipes.

5. SUMMARY OF THE REQUEST FOR A PARTIAL INTERIM REVIEW BY ECL INDIA

5. Pursuant to Article 19 of the Basic Anti-Subsidy Regulation, ECL India requests the initiation of a partial interim review -- limited to subsidization -- of the

1. Notice of initiation of an anti-subsidy proceeding concerning imports of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron), originating in India, OJ [2015] C384/4.

2. Commission Implementing Regulation (EU) 2016/387 of 17 March 2016 imposing a definitive countervailing duty on imports of tubes and pipes of ductile cast iron (also known as spheroidal graphite cast iron), originating in India, OJ [2016] L73/1.

countervailing duty imposed on it because as far as the company is concerned, the circumstances with regard to subsidization on the basis of which the 9% duty was imposed on it have changed significantly since the original investigation period and these changes are of a lasting nature.

6. The changed circumstances resulting in a reduction in the subsidy margin of ECL India concern:
 - (i) the abolishment of the Focus Product Scheme ["FPS"] on 1 April 2015 -- with the enforcement of the 2015-2020 Foreign Trade Policy of India -- and the institution of another scheme called the Merchandise Export from India Scheme ["MEIS"]. The latter permits only a 3% duty credit -- and not 5% as available under FPS -- on the FOB value of Ductile pipe exports to the EU;
 - (ii) the absence of any benefit concerning the alleged provision of iron ore at less than adequate remuneration since the original anti-subsidy investigation;
 - (iii) the absence of benefit from the duty drawback scheme as only excess remission of import duties can be considered as a "subsidy" according to WTO rulings and the Commission's recent practice in anti-subsidy cases.
7. As a result, ECL India's subsidy margin during the period 1 April 2017 to 31 March 2018 was significantly lower than 9%. Thus, the continued imposition of the 9% duty is no longer necessary to offset the subsidization originally found.
8. ECL India has demonstrated based on positive evidence that the above-mentioned changed circumstances, resulting in a significantly lower subsidy margin, are of a lasting nature.
9. Thus, ECL India requests an interim review of the AS measures for the period April 2017 – March 2018, in view of Article 5 of the Basic Anti-Subsidy Regulation jo. Article 22(1).

5. INTERESTED PARTIES

- **EU producers:** Saint-Gobain PAM and its related companies; Duktus GmbH; TRM.