



Absorption Review: Application form

When you have completed this form, indicate the **confidentiality** of this document by placing an X in the relevant box below and in the header. We strongly recommend this questionnaire to be completed on the computer, so this step is easy to complete.

- Confidential
 Non-Confidential – will be made publicly available

Please note that you will have to provide **two copies of your response** – a **Confidential** and a **Non-Confidential version**. Both copies should be returned to the TRA using the Trade Remedies Service (www.trade-remedies.service.gov.uk).



Contents

Instructions	3
SECTION A: General Information	6
SECTION B: Evidence for Absorption Review	7



Instructions

About us

The Trade Remedies Authority (TRA) is an arm length body of the UK's Department for Business and Trade. It carries out trade remedies investigations to find out if a new trade measure may be needed to counter dumped or subsidised imports or a sudden surge in imports.

The TRA investigates cases under the provisions of the *Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (as amended)*, *The Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019 (as amended)* and under the *Taxation (Cross-border Trade) Act 2018*.

About you

You can apply to us to open an investigation if you have evidence that absorption activity has occurred in relation to a current anti-dumping measure.

You must provide sufficient evidence to supporting the initiation of an absorption review as outlined by [Regulation 72 of the Trade Remedies \(Dumping and Subsidisation\) \(EU Exit\) Regulations 2019](#). More information on how we determine an Absorption Review can be found in our online [guidance](#).

You can find out more about our remit and how we work by reading our guidance on [trade remedies investigations](#).

About this form

Complete this form and the relevant annexes if you want to apply for an absorption review. This form will give us the information we need to decide whether to initiate review into your concerns. You can find more information on how we [assess applications](#) in our guidance.

You must submit your application online through the [Trade Remedies Service](#). When you submit your application, you must also submit a non-confidential version (including the annexes) which doesn't contain any data you think is sensitive, as we are required to publish a copy of the application form. You can find out more about [what can be considered confidential and how to prepare a non-confidential version of your documents](#) in our guidance.

If you are considering submitting an application and would like to discuss it with someone first, please email contact@traderemedies.gov.uk. You can find more on completing this application in our [Pre-Application Office](#) and [application assessment](#) guidance.



How to complete this application form

Please read and follow all the instructions carefully. You will need to provide evidence to support your concerns. You may need to attach supporting documents in appendices to supplement the answers you give.

Please also note the following points:

- Try to avoid leaving any questions blank. If the question isn't relevant to you, please try to explain why.
- If the answer to a question is "zero", "no", "none" or "not applicable", please write this rather than leaving the answer blank.
- If you feel you can't present the information as requested, please contact the Pre-Application Office by emailing contact@traderemedies.gov.uk.
- If there is not enough space in any part of the application form to provide a full answer, please attach appendices. Please ensure that any attachments are given a corresponding appendix reference in the title of the document and that these are referenced in the boxes provided.
- If you include any documents not in English, please provide an English translation.
- Provide all dates in the format DD/MM/YYYY (e.g. 23/05/2019).
- For all numerical figures, where appropriate please express every third number with a comma (e.g. '1,300' for one-thousand three hundred, '1,300,000' for one million and three-hundred thousand).
- Limit all sales/currency/income figures to two decimal places and use the appropriate currency symbol (e.g. £1,300.00).
- All figures should be reported net of tax unless otherwise stated.
- For definitions of the incoterms used throughout this document, please visit the [International Chamber of Commerce](#).



What happens next

Once you have completed this application form you can if you wish share a confidential version with the Pre-Application Office to get feedback before you formally submit your application. When you formally submit your application, you will need to submit a confidential and a non-confidential version of this form. Please upload these through our Trade Remedies Service at www.trade-remedies.service.gov.uk.

Once you have done this:

- you will receive an email confirming the documents have been uploaded successfully;
- the assessor(s) of your application will contact you if further information is required; and
- the assessor(s) of your application may contact you to arrange a visit to verify the information contained in your responses.



SECTION A: General Information

A1. Current trade remedy measure

1. Provide the case number and name for the current trade remedy measure that this application applies to.

*This application (“**Application**”) relates to case AD0047 – Certain excavators originating from the People’s Republic of China (“**PRC**”).*

Appendix reference: N/A

A2. Applicant details

1. Give the name, address, email and telephone number of a contact person who can be contacted about this application.

*The Application is lodged by JCB Heavy Products Limited (“**Applicant**”). The Applicant was also the applicant in AD0047.*

Contact person:

- *[CONFIDENTIAL – Personal information]*

Appendix reference: N/A

2. If you have appointed an external representative to assist with your application, provide a letter of authorisation stating the name, business name, address, telephone number and email of the representative. Include below whether or not we can liaise directly with your representative.

Please liaise directly with the Applicant’s representative.

Appendix reference: Annex A.2 – Letter of authority



SECTION B: Evidence for Absorption Review

B1. Current situation

1. Provide a detailed summary of what absorption activity you consider has taken place resulting in the original measure not having the expected effect.

On 20 December 2024, the Trade Remedies Authority (“TRA”) imposed provisional anti-dumping duties (“ADDs”) on UK imports of tracked excavators with an operating weight of 11 to 80 tonnes (“Excavators”) originating from the PRC. On 14 May 2025, the TRA imposed definitive ADDs of 18.8 to 32.8% on UK imports of Chinese Excavators.

Evidence shows that prices of Chinese Excavators on the UK market have not meaningfully increased since the imposition of the ADDs. This means that Chinese Excavator producers are absorbing the ADDs, which renders the ADDs ineffective.

Appendix reference: N/A

2. Demonstrate with supporting evidence your claim that absorption activity has taken place. Appropriate evidence may include but is not limited to market research studies, tenders, price lists or any other relevant item that shows that:
 - export prices of the goods covered by the measure have decreased;
 - there has been no change, or not enough change, in the resale price or subsequent selling prices of the imported goods covered by the measure.

Evidence shows that, since the imposition of the ADDs, (1) UK import prices of Chinese Excavators have decreased sharply; and (2) there has been no meaningful change in the prices of Chinese Excavators on the UK market.

1. UK import prices decreased sharply

Excavators are imported into the United Kingdom under tariff code 8429 52 10. HMRC data based on the origin of Excavators shows that the average import price of imports under this code has dropped sharply since the period of investigation (“POI”) in the original anti-dumping investigation (“Investigation”) ended in June 2023.

*As **Figure 1** demonstrates, in the POI in the Investigation, the simple average of monthly prices of Chinese Excavator imports was [approx. 6] GBP/kg. In the 18 months from the end of the POI to the imposition of the provisional ADDs, that*



average price dropped slightly to [approx. 6] GBP/kg. However, since the imposition of the provisional ADDs in December 2024, the average dropped sharply to [less than 5] GBP/kg. The price decrease from the end of the POI to the period since the imposition of the ADDs is a whopping 20%.

Figure 1 - UK import price 8429 52 10 (GBP/kg)¹



Tariff code 8429 52 10 does not only cover Excavators: it also covers tracked excavators with an operating weight below 11 tons and tracked excavators with an operating weight above 80 tons. That said, the price trend set out in **Figure 1** reflects the price of Excavators and is not affected by a potential change in the product mix of UK imports under tariff code 8429 52 10:

- The UK market for >80-ton excavators, which are primarily used in large-scale mining, is a small handful of units. It is nigh impossible that the imposition of the ADDs substantially increased demand for >80-ton excavators.
- The average price per kg of <11-ton excavators is significantly higher than the average price per kg of Excavators.² In other words, if Chinese producers would be selling more <11-ton excavators to the UK market since the imposition of the ADDs on Excavators, the average price per kg should go up, not down.

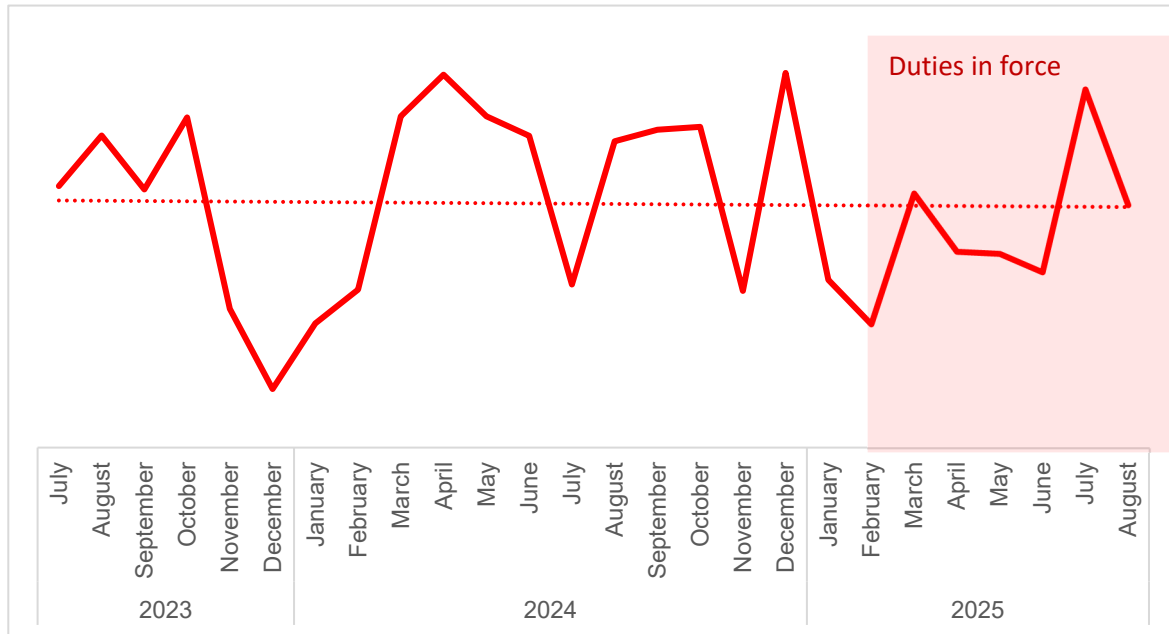
¹ Source: HMRC data based on origin, **Annex B.1.1**. [CONFIDENTIAL – The data in Annex B.1.1 is sourced from a third-party service provider; disclosure of this data would violate third-party copyrights]

² See SANY, Dealer price list, **Annex B.1.2**. For instance, the price per kg of a [SANY model], which is a [<11-ton] excavator, is ~7 GBP/kg, whereas the price of per kg of a [SANY model], which is a [>11-ton] Excavator, is ~4.5 GBP/kg.



- In any event, as **Figure 2** demonstrates, the total volume of UK imports under tariff code 8429 52 10 remained stable since the end of the POI, which suggests there is no material change in product mix.

Figure 2 - UK imports volume 8429 52 10 (kg)³



In sum, UK import statistics demonstrate that import prices of Chinese Excavators decreased by 20% since the imposition of the ADDs.

As UK import statistics provide information on all Excavator imports originating from China, import data suggests that all Chinese Excavator producers that export Excavators to the UK market are absorbing the ADDs. As such, the TRA should investigate absorption by all Chinese Excavator producers.

2. Prices on the UK market did not, or did not materially, increase

The significant decrease in UK import prices of Chinese Excavators also translates into prices on the UK market that do not reflect the imposition of the ADDs.

Despite the UK Excavator market not being price-transparent (e.g., prices are not advertised), the Applicant obtained additional evidence demonstrating that Chinese Excavator producers are fully or almost fully absorbing the ADDs when selling Excavators on the UK market.

³ Source: HMRC data based on origin, **Annex B.1.1**.



2.A. Absorption by SANY

Evidence shows that SANY is absorbing the 32.8% ADDs that apply to UK imports of SANY Excavators.

First, the Applicant obtained a price list from SANY addressed at SANY's dealers. The dealer price list contains [CONFIDENTIAL – Market intelligence] and should thus reflect the ADDs that were imposed in December 2024.

However, as **Table 1** demonstrates, SANY's 2025 prices do not reflect the ADDs. Rather:

- [CONFIDENTIAL – SANY price list information, showing that prices did not increase since the imposition of the ADDs].

SANY did, therefore, not increase its prices because of the ADDs. Instead, SANY is absorbing all or almost all of the ADDs.

Table 1 – SANY 2024/2025 dealer price list⁴

Model	2024 net price (GBP)	2025 'campaign' net price (GBP)	Δ 2024-2025 price (GBP)	Δ 2024-2025 price (%)	Absorbed ADD (%)
[CONFIDENTIAL – SANY price list information that is not publicly available]					

Second, evidence confirms that SANY's 2025 dealer price list is being applied in practice. Specifically, the Applicant obtained [a number of] price quotes from SANY dealers to final customers, which show 2025 dealer price list levels.

To calculate the price from SANY dealers to final customers, the Applicant started from SANY's dealer price and added: (a) a [5-15]% dealer on-cost, which covers the costs incurred by a dealer to sell an Excavator (e.g., pre-delivery inspection or sales costs); and (b) a [5-10]% margin for the dealer. This [10-20]% increase from dealer price to customer price is [CONFIDENTIAL – Market intelligence]. The Applicant then made adjustments for add-ons included in the price quote that affect price, such as an optional 360° camera or additional buckets.

As **Table 2** demonstrates, the [a number of] price quotes confirm that SANY's 2025 dealer price list is being applied and, in most cases, even further discounted.

Table 2 – SANY 2025 dealer prices compared to 2025 customer price quotes⁵

SANY model	2025 dealer price +[10-20]% (GBP)	2025 customer price (GBP)	Add-ons affecting price, to be deducted from customer price for comparison ⁶	Δ dealer and customer price (GBP)
[CONFIDENTIAL – SANY price quote information that is not publicly available]				

Third, SANY is further absorbing the ADDs by offering subsidised financing for customers. For price quotes since 12 February 2025, SANY offers 0% financing for



12 months, in addition to two-year financing at 1.99% and three-year financing at 2.99%.⁷

2.B. Absorption by XCMG

Evidence shows that XCMG is absorbing the 24.3% ADDs that apply to UK imports of XCMG Excavators.

Specifically, the Applicant obtained evidence that XCMG is quoting customers [CONFIDENTIAL – Market intelligence].⁸

XCMG pricing thus increased by [a small]% from 2024, before the imposition of the ADDs, to 2026, well after the imposition of the ADDs. This is, again, a price increase [CONFIDENTIAL – Market intelligence]. In effect, XCMG is thus absorbing all or almost all ADDs.

2.C. Absorption by Caterpillar

The Applicant's market intelligence confirms that Caterpillar decreased its Excavator prices on the UK market in 2025 by [5-20]%, thereby not just absorbing the ADDs but significantly aggravating its injurious dumping.

Given Caterpillar's purported high share in total UK imports of Chinese Excavators, the steep decline in average UK import prices of all Excavators originating from China corroborates the market intelligence that Caterpillar is absorbing the ADDs.⁹

2.D. Absorption by LiuGong

Given LiuGong's significant share in total UK imports of Chinese Excavators, the steep decline in average UK import prices of all Excavators originating from China suggest that LiuGong is also absorbing the ADDs.¹⁰

Appendix reference: Annex B.1.1 – HMRC import data; Annex B.1.2 – SANY dealer price list; Annex B.1.3 – SANY customer prices; Annex B.1.4 – SANY financing; Annex B.1.5 – XCMG price intelligence

3. To what extent have export prices or resale prices changed since measures were put in place? Where possible, provide documentary evidence for the selling price for independent customers in the UK such as:

⁴ Source: SANY dealer price list, **Annex B.1.2**.

⁵ Source: SANY customer price quotes, **Annex B.1.3**. [CONFIDENTIAL – Market intelligence]

⁶ [CONFIDENTIAL – Information about SANY's dealer price list and the Applicant's pricing]

⁷ Source: SANY financing, **Annex B.1.4**.

⁸ Source: XCMG price intelligence, **Annex B.1.5**. [CONFIDENTIAL – Market intelligence]

⁹ See above, Section 1 of this response.

¹⁰ See above, Section 1 of this response.



- sales invoices;
- written offers;
- price quotations;
- sales correspondence;
- official statistics,
- Or any other reasonable evidence.

Price information should be from a 12-month period, with the most recent data no older than six months before the date on which this application is submitted.

See *Section B.1.2.*

Appendix reference: N/A

4. What do you think is the cause of these changes and do you think they are likely to persist? Where possible, include supporting evidence.

See Section B.1.2. The only cause of these changes is Chinese Excavator producers' absorption of the ADDs. There is no reason why Chinese Excavator producers would stop absorbing the ADDs, unless the TRA increases the ADDs.

Appendix reference: N/A

5. Provide any information you have on how the market conditions for the goods subject to review has changed since the application of the anti-dumping duty

See *Section B.1.2.*

Appendix reference: N/A

B2. Proposed modification to measures

1. Describe what modifications to the original measure you think would be appropriate to counter the effects of the suspected absorption.

Please note that we cannot guarantee that your suggestion will be adopted should absorption be found.

Given the immediate and full absorption of the ADDs by the Chinese Excavator producers – which make a mockery of the ADDs imposed by the TRA – it is appropriate to maximally increase the ADDs. That means the TRA should double the currently applicable ADDs on Excavators originating from China to the following levels:



- 65.6% for SANY
- 40.2% for LiuGong
- 37.6% for Caterpillar
- 48.6% for XCMG
- 48.6% for Sunward
- 80.2% for all other Chinese Excavator producers

In addition, it is necessary to impose the increased ADDs as from the initiation of the anti-absorption investigation. Doing so is essential because the current ADDs are ineffective in protecting the UK Excavator industry, which continues to suffer, as the TRA established, material injury caused by UK imports of Chinese Excavators.

Appendix reference: N/A