



# Anti-dumping and Subsidy Investigations: Application form

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When you have completed this form, indicate the **confidentiality** of this document by placing an X in the relevant box below:

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 TRID using the Trade Remedies Service ([www.trade-remedies.service.gov.uk](http://www.trade-remedies.service.gov.uk)).

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## Contents

Instructions .....	3
SECTION A: About The Goods .....	6
SECTION B: About the Application.....	14
SECTION C: About Other Interested Parties .....	16
SECTION D: Representativeness .....	24
SECTION E: About the allegedly dumped imports you want us to investigate	26
SECTION F: Subsidised imports .....	37
SECTION G: Injury .....	42
SECTION H: Causal link between the imported goods and injury to your industry.....	51
SECTION I: Declaration .....	54
SECTION J: Checklist.....	55



## Instructions

### About us

The Trade Remedies Investigations Directorate (TRID) is part of the UK's Department for International 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 legislative framework that TRID operates under is found in the [Taxation \(Cross-border Trade\) Act 2018](#) ('the Act') and the [Trade Remedies \(Dumping and Subsidisation\) \(EU Exit\) Regulations 2019](#) ('the Regulations').

### About you

You can apply to us to open an investigation if you are a UK producer of goods or a representative of a UK producer and you have evidence of unfair trade practices relating to the dumping or subsidy of goods imported into the UK.

You must provide sufficient evidence of dumped or subsidised goods being imported in the UK and that the dumped or subsidised imports have caused or are causing injury to the UK industry (in compliance with the Act)

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 a new anti-dumping or subsidy investigation. This form will give us the information we need to decide whether to initiate an investigation 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 (<https://www.trade-remedies.service.gov.uk>). 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 (for instance, commercial data about your company), 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](mailto:contact@traderemedies.gov.uk). You can find more on completing this application in our [Pre-Application Office](#) and [application assessment](#) guidance.



If you have any issues or queries about using the Trade Remedies Service, please email [help@traderemedies.gov.uk](mailto:help@traderemedies.gov.uk).

## What happens next

Once you have completed this application form you can 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](http://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.

## 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](mailto: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](#).



## About The Goods

This section of the application form is about the imported goods you want us to investigate. These imported goods will be referred simply to as ‘the goods’.

You can only ask us to investigate imported goods if you (or the industry you represent) produce ‘like goods’. Like goods are defined as goods which are similar to the goods under investigation in all respects or have characteristics which closely resemble them. When we decide what are like goods, we will consider the following non-exhaustive list of criteria:

- physical likeness, such as physical characteristics
- commercial likeness, including competition and distribution channels
- functional likeness, such as end-use or if the goods can be substituted for each other
- similarities in production, such as method and inputs
- other relevant characteristics

### The Imported Goods

1. Describe the imported goods you are concerned about (if possible, please attach digital versions of images, brochures, catalogues, etc which show the goods in question).

#### The Imported Goods

The imported goods are Suspension Poly(vinyl chloride) (S-PVC), not mixed with any other substance, currently falling within HS Code 39041000 and originating in the United States of America (US). The goods include S-PVC only – they do not include Emulsion PVC (E-PVC) which, according to Applicant market intelligence, makes up around [6% to 16%] of total imports under HS code 39041000 in 2022.<sup>1</sup>

PVC is a manmade thermoplastic polymer. The primary raw material used in the production of PVC resins is Vinyl Chlorine Monomer (VCM) which itself is produced by the reaction of ethylene and chlorine to produce ethylene dichloride (EDC) and then transformed into VCM by thermal cracking. S-PVC is produced through suspension technology.<sup>2</sup>

<sup>1</sup> On the basis of market intelligence, the Applicant considers that around [6% to 16%] of total imports, reported by HMRC under HS code 39041000, are imports of E-PVC. However, the Applicant considers that the majority of E-PVC imported into the UK originates in the EU and thus that almost 100% of the volumes reported by HMRC for imports originating in the US (and rest of the world) are S-PVC. See Appendix 1.

<sup>2</sup> ‘PVC’: INEOS, accessible at: <https://www.ineos.com/industry/products/polymers/pvc/>.



S-PVC is used to manufacture pipes and fittings, films and foils, injection moulding and blow moulding. Thus, typical applications include: potable and gravity pipes, window frames, insulation, food and pharmaceutical packaging, automotive and domestic appliance components and medical supplies such as tubing and blood bags.

As a consequence, S-PVC is used in a variety of sectors including building and construction, healthcare, electronics and the automotive sector.

The imported goods are currently subject to an MFN duty of 6% *ad valorem*.

### S-PVC v E-PVC

As outlined above, E-PVC does not form part of the product concerned which includes only S-PVC. E-PVC and S-PVC constitute separate markets. This has been recognised by the European Commission in EU Merger Control decisions which also concerned the UK market from when the UK was an EU Member State.<sup>3</sup> S-PVC and E-PVC are produced using different methods and equipment and have different end-uses.

S-PVC is produced through the suspension of VCM in water with an initiator. Following polymerisation and further processing, S-PVC takes the form of a coarse porous white powder. The production process of S-PVC is described in greater detail below<sup>4</sup> in response to the Question of comparability between the goods.

E-PVC, on the other hand, is produced through the emulsion of VCM in water together with an initiator. E-PVC is then polymerised and further processed and takes the form of a very fine and smooth powder which can be sprayed.<sup>5</sup> It is used to produce coated fabrics and sealants such as floor and wall coverings, automotive sealants and synthetic leather.

Appendix reference:

2. Explain where the imported goods you are concerned about are being exported from.

The imported goods are being exported from the United States of America (US).

<sup>3</sup> Commission Decision Case No. M.6563 Mexichem SIH/Wavin (2012), OJ C 189, 29.06.2012, Paragraph 15; Commission Decision Case No. M.4734 INEOS/Kerling (2008), OJ C 2019, 28.08.2008, Paragraph 19; and Commission Decision Case No. M.4572 Vinnolit/INEOS CV Specialty PVC Business (2007), OJ C 160, 13.07.2007, Paragraphs 7-9.

<sup>4</sup> Commission Decision Case No. M.4734 INEOS/Kerling (2008), OJ C 2019, 28.08.2008, Recital (17).

<sup>5</sup> Ibid, Recital (18).



Appendix reference: 2

3. Provide the tariff classification(s) for the imported goods.

HS Code 39041000.
Appendix reference:

4. Give details regarding whether the imported goods are currently subject to any anti-dumping/countervailing/safeguard measures or ongoing investigations in other countries.

<p>[redacted – confidential information. This information could have an impact on the market].</p> <p>There are currently a number of anti-dumping measures in force against PVC originating in various countries. There are also several investigations that have been initiated and are still in progress. A list of the measures and investigations is provided in Appendix 3.</p>
Appendix reference: 3

## The Like Goods

1. Describe the like goods produced by the UK industry (if possible, attach digital versions of images, brochures, catalogues, etc).

<p>The like goods are Suspension Poly(vinyl chloride) (S-PVC), not mixed with any other substance, currently falling within HS code 39041000, produced in the United Kingdom. The like goods do not include Emulsion PVC (E-PVC). The like goods are identical in all respect with the imported goods.</p> <p>In the UK, the Applicant produces PVC at its production site in Newton Aycliffe. VCM is supplied to this production plant by a VCM plant in Rafnes in Norway. Thus, the Applicant in the UK produces PVC directly from VCM as the feedstock – it does not produce PVC through an integrated chlor-alkali production process.</p>
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In the US, PVC is produced both by fully integrated Chlor-alkali producers and by producers who buy VCM on the market,<sup>6</sup> thus using the same production process as the UK.

Appendix reference:

## Comparability between the Goods

1. Explain how the like goods produced by the UK industry are like the imported goods. Please cover the following aspects of the goods.

The physical, technical, chemical and any other characteristics that describe the goods – explain any differences:

The like goods are identical in all respects with the imported goods.

Appendix reference:

2. If the goods can be subdivided into separate models – provide details about each of the models, such as their product literature and technical documentation:

Not applicable.

Appendix reference:

3. Give the tariff classification of the goods (customs commodity code) – if there are multiple models, provide the customs commodity code for each model:

HS code 39041000.

Appendix reference:

4. Summarise the production process of the goods in the UK and in the exporting country/countries. Make sure you explain if there are different production processes within the UK and/or the exporting country/countries concerned:

<sup>6</sup>US PVC producer, Shintech, is considered to be world's largest PVC plant. Around half of Shintech's VCM requirements are supplied by US VCM supplier, Olin. (See for example Appendix 4).



### Manufacturing process

VCM is the key feedstock for the production of PVC. VCM is polymerised into PVC by joining small molecules (monomers) together to make long chains (a polymer). The conversion rate of VCM to PVC in the polymerisation process is close to 100%. The polymerisation is a batch process which takes place in PVC reactors. As stated above, the production of S-PVC requires the suspension of VCM in water with an initiator.

VCM is delivered to PVC production plants via different modes of transport (pipeline, rail, road and ship) both within Europe and worldwide.<sup>7</sup>

PVC can also be produced through an integrated chain of processes, in which ethylene and chlorine constitute the two main initial inputs.

Ethylene is chlorinated to produce ethylene dichloride (EDC) which is then transferred into VCM by thermal cracking. PVC is then made by the polymerisation of VCM.

In the case of an integrated chlor-alkali process, the PVC production process would also follow the following three steps:

- The electrolysis of salt (sodium chloride) produces both Chlorine and Caustic Soda. Chlorine is used to produce EDC.
- Ethylene is chlorinated to produce EDC. The direct chlorination of ethylene requires about 300 kg of ethylene and 725 kg of chlorine per tonne of EDC.
- EDC is then transferred into VCM by thermal cracking. In principle, the production of 1 tonne of VCM requires about 472 kg of ethylene and 600 kg chlorine.

VCM is subsequently polymerised into PVC by joining small molecules (monomers) together to make long chains (a polymer). The conversion of VCM to PVC in the polymerisation step is close to 100%, but about 7% of the raw material is lost in the entire production chain. The polymerisation is a batch process which takes place in PVC reactors.

The production process in the UK is not this full Chlor-Alkali process but the polymerisation of VCM to PVC. Exporting producers in the US are both Chlor-Alkali processors and VCM processors.

Appendix reference:

5. Provide a general description of the UK market for the goods including the nature and conditions of competition within the overall market. In your answer please refer to:

- general users/consumers/customers;
- market segmentation;

<sup>7</sup> Case M.6905 – INEOS/SOLVAY/JV, Merger Procedure Regulation (EC) 139/2004 (08/05/2014), Recital (102).



- government regulation or tax;
- distribution and marketing (for example, how is the product sold and is quality or price the deciding factor);
- the nature of competition within the overall market;
- the degree of price sensitivity;
- the trends and drivers of demand, including causes of demand fluctuations and any factors contributing to overall market growth or decline;
- developments in technology affecting the characteristics, demand or the production process of the goods;
- other commercially significant goods which could be substituted for your goods and the goods being imported into the UK; and
- any other factors that influence the market.

S-PVC is used to manufacture pipes and fittings, films and foils, injection moulding and blow moulding. Thus, typical applications include, potable and gravity pipes, window frames, insulation, food and pharmaceutical packaging, automotive and domestic appliance components and medical supplies such as tubing and blood bags.

S-PVC is used for both rigid (unplasticised) and flexible (plasticised) end-applications. Rigid applications include pipes, moulded fittings, and profiles (that is to say, window and door frames). Flexible applications include films, sheets and cable insulation.<sup>8</sup> As a consequence, S-PVC is used in a variety of sectors including building and construction, healthcare, electronics and the automotive sector.

Commodity S-PVC is the most common S-PVC resin and is mainly used for pipes and rigid profiles. The K-value of Commodity S-PVC may correspond to a number of different end-uses from rigid applications such as pipes, window profiles and moulded fittings to more flexible end-applications such as cable insulation and flexible tubes for crystal-clear medical products.<sup>9</sup>

Extender S-PVC is used for dispersion resins to provide specific plastisols and compound characteristics as well as to reduce costs and to improve physical properties.

Specialty S-PVC is used in specialty applications, both rigid applications (such as bottles, sheets, fittings etc.) and flexible applications (such as wire and cable film, flexible profiles and tubes, coating, etc.).

<sup>8</sup> Case M.6905 – INEOS/SOLVAY/JV, Merger Procedure Regulation (EC) 139/2004 (08/05/2014), Recital (87).

<sup>9</sup>Ibid, Recital (122).

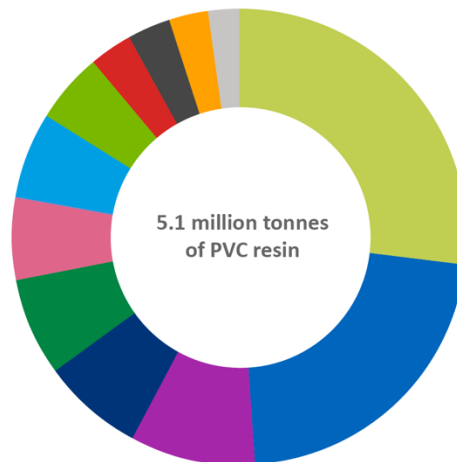


Below is an image displaying the market segmentation for PVC use by application.

PVC use by application in EU27 + UK, Norway and Switzerland

- Profiles (27%)
- Pipes and fittings (22%)
- Others non paste (9%)
- Flooring (7%)
- Misc. rigid (7%)
- Flexible film and sheet (6%)
- Rigid film (6%)
- Cables (5%)
- Flexible tubes and profiles (3%)
- Coated fabrics (3%)
- Other paste (3%)
- Rigid plates (2%)

Source: ECV/M



PVC is a commodity good and thus price is the determining factor for the sale of the good. PVC is generally sold in bulk and is distributed via trucks or trains. For the most part, suspension PVC in the UK is delivered by truck – approximately 24 tonnes per truck when full. Marketing is not common to PVC customers due to the nature of the product concerned and the market. Due to the high price sensitivity of demand, the market is very competitive.

PVC can be substituted for other materials, depending on the industry in which it is used. For example, a PVC window can be substituted for wood or aluminium. However, there is no substitution at the manufacturing level – if a machine or line uses PVC, it can only use PVC in the production process and cannot change over to another product as its feedstock.

Appendix reference:

6. We give goods in our investigations Product Control Numbers (PCNs) which are identifiers unique to our work and are created on the basis of the main characteristics differentiating the goods from other goods. We use PCNs to allow comparison between products made by domestic and foreign producers. The accuracy of TRID’s PCN structure is directly proportionate to information supplied by the applicant. If the goods concerned covers a range of goods with different characteristics that would affect comparability:
  - Please describe the key physical characteristics that have a consequential and material effect on prices, with the list of characteristics going from most to least consequential



- Please provide evidence to substantiate that these physical characteristics have a consequential and material effect on prices. This evidence could be in reference to specific unit costs, if those costs effect price comparability
- Use this information to delineate between models of not only the goods produced by the UK industry, but by the exporting producers, giving the information requested in the subsequent sections in refence to each model rather the goods category as a whole. The annex will indicate where information is being asked for on an individual model basis.
- If you already have a view on a PCN structure, please propose that here.

*To be submitted under separate cover.*

Appendix reference:



## About the Application

Individuals or groupings of companies, individuals and trade bodies can all be applicants. Generally, an industry that is concerned about a set of imported goods should make only one application to us for an investigation. When we assess your application, we will consider information about all the companies which make up the group that is applying. When you are answering questions about the goods you produce, please include information about the goods produced by all the companies and individuals who are submitting this application.

### Applicant Information

Name of Applicant

INOVYN ChlorVinyls Limited

Address

Registered Company Address

Banks Lane Office Bankes Lane,  
PO BOX 9,  
Runcorn  
Cheshire  
WA7 4JE  
United Kingdom

Production of Imported Goods

School Aycliffe Lane  
Newton Aycliffe  
County Durham  
DL5 6EA  
United Kingdom

Email

[redacted – contains personal information]

Telephone

[redacted – contains personal information]

Contact Name

[redacted – contains personal information]

Company Ownership (provide broad details of shareholding)



[redacted – contains confidential information concerning the shareholding and structure of the Applicant]

Name of Lawyer/Representative

O'Connor and Company European Lawyers

## Period of Investigation

For the subsequent sections, please use the same 12-month period for every question and indicate below which 12-month period you are using. This period should not end more than six months before the date this application is submitted. This period will be referred to as 'the period of investigation (POI)' for the rest of the application. The 36-month period preceding the POI, will be referred to as the injury period. Please indicate the 12-month POI in the box below.

The Period of Investigation for this Application (POI) is the 12-month period starting on 1 September 2022 and ending 31 August 2023. The Injury Period is the 36-month period preceding the POI, thus from 2020 to the POI.

Please give the volume and value of like goods you produced in the UK for the POI.

Inovyn's UK production was [redacted – confidential information] and the value was [redacted – confidential information]<sup>10</sup> for the POI (see Appendix 6).

<sup>10</sup> Production value obtained by multiplying the cost of production (raw material, labour and direct costs, overhead expenses, SG&A and financial costs) and volume produced during the POI.



## About Other Interested Parties

### UK Producers

Your application must be supported by other UK producers who represent at least 25% of total UK production. This is based on production physically located in the UK. The level of support for the application must be greater than the level of opposition among UK producers.

If there are other UK producers, you will need to contact them and ask them whether they support or oppose this application. Please attach their written responses to your application OR their details should be provided below. Use a separate table for each producer.

We understand that other producers may be concerned about providing confidential information for this form. If necessary, you can ask an independent third party to confidentially combine information from the individual companies. Alternatively, the other producers can send the information separately to TRID for us to combine.

<b>UK producer</b>	
Legal name of company:	INOVYN ChlorVinyls Limited
Name (point of contact):	[redacted – contains personal information]
Role:	[redacted – contains personal information]
Address:	<p><u>Registered Company Address</u>            Banks Lane Office Bankes Lane,            PO BOX 9,            Runcorn            Cheshire            WA7 4JE            United Kingdom</p> <p><u>Production of Imported Goods</u>            School Aycliffe Lane            Newton Aycliffe            County Durham            DL5 6EA            United Kingdom</p>
Telephone No:	[redacted – contains personal information]
Email:	[redacted – contains personal information]
Company website:	<a href="https://www.ineos.com/businesses/inovyn/">https://www.ineos.com/businesses/inovyn/</a>
<b>Goods produced</b>	
Please list all the UK-made goods this producer makes which are sold on the UK market and are like the imports this application is about.	
Suspension PVC (S-PVC) not mixed with any other substance.	



<b>Position regarding application</b> (delete as applicable)	Support
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## Other Parties

1. Provide details of all known producers/exporters in the exporting country or producer/exporter associations in the exporting country, including:

### **PRODUCERS:**

Name:	Shintech
Address:	3 Greenway PLZ 1150, Houston, TX 77046
Email:	
Telephone Number:	(+1) 713-965-0713

Name:	Westlake Chemical
Address:	2801 Post Oak Blvd., Suite 600, Houston, Texas
Email:	
Telephone Number:	(+1) 713-960-9111

Name:	Oxy Vinyls
Address:	5 Greenway Plaza, Suite 110 Houston, Texas 77046-0521
Email:	
Telephone Number:	(+1) 713-215-7000

Name:	Formosa Plastics Corporation
Address:	9 Peach Tree Hill Road, Livingston, NJ 07039-5702
Email:	
Telephone Number:	(+1) 973-992-2090

Name:	Vestolit Speciality Resins Inc.
Address:	1546 Country Road, 1450 North Henry, Illinois
Email:	
Telephone Number:	

### **TRADERS:**

Name:	Marubeni
Address:	90 Park Avenue, 6th floor, New York, NY
Email:	
Telephone Number:	1-212-450-0100

Name:	Tricon
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Address:	777 Post Oak Blvd, suite 550, Huston TX - USA
Email:	
Telephone Number:	1-713-963-66

Name:	ICC Chemical Corporation
Address:	725 Fifth Avenue 14th Floor, NY
Email:	
Telephone Number:	212-512-1700

Name:	Vinmar International
Address:	16825 Northchase Drive, Suite 1400 - Huston, Texas
Email:	admin@vinmar.com
Telephone Number:	

Name:	Mitsubishi Chemical America
Address:	9115 Harris Corners Parkway, Suite 300. Charlotte
Email:	
Telephone Number:	1 980 580 2839

Name:	Leichem
Address:	
Email:	<a href="mailto:chemicals@leichem.com">chemicals@leichem.com</a>
Telephone Number:	(305) 468-8282

Name:	Bridge Polymers
Address:	Bridge Polymers International BV, Lage Zijde 10 5626 DL Eindhoven
Email:	info@bridgepolymers.eu
Telephone Number:	+31 (0)40 7820020

Name:	Stavian Chemicals
Address:	5Ath Floor, Century Tower, Times City Complex, 458 Minh Khai Street, Hai Ba Trung District, Hanoi, Vietnam
Email:	tony.merhej@stavianchem.com
Telephone Number:	+84 24 7306 8868

Name:	Anphat holding/ International
Address:	No. 148 Hoang Quoc Viet Str., Cau Giay Dist., Ha Noi
Email:	info@anphatholdings.com



Telephone Number:	+84 24 7306 8868
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Name:	Meraxis also known as Rehau
Address:	Worbstrasse 50 CH-3074 Muri bei Bern
Email:	info@meraxis-group.com
Telephone Number:	+41319503112

2. Provide the details of all known importers of the goods in the UK or any associations of importers in the UK, including:

**IMPORTERS AND/OR USERS:**

Name:	Eagley Plastics
Address:	High peak, Derbyshire, SK23 6BT, UK
Email:	Saul.good@eagleyplastics.co.uk
Telephone Number:	01663 750000
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	INEOS Compounds
Address:	School Aycliffe Lane, Newton Aycliffe, County Durham, DL5 6EA, UK
Email:	david.smith@ineos.com
Telephone Number:	+44 1325 303693
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Freefoam
Address:	77-83 St James Mill Road, Northampton, NN5 5JP
Email:	
Telephone Number:	01604 591110
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Brett Martin
Address:	Speedwell Industrial Estate, Stephenson Rd, Staveley, Chesterfield S43 3JP



Email:	
Telephone Number:	
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Gap
Address:	Partnership Way, Shadsworth Business Park, Blackburn, Lancashire, BB1 2QP
Email:	
Telephone Number:	0845 313 10 12
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Nenplas
Address:	Blenheim Road, Airfield Industrial Estate, Ashbourne, Derbyshire, DE6 1HA
Email:	
Telephone Number:	+44 (0)1335 340340
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Liniar
Address:	Flamstead House, Denby Hall Business Park, Denby, Derbyshire, DE5 8JX
Email:	
Telephone Number:	01332 883 900
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Polypipe
Address:	New Hythe business park, college road, Aylesford, Kent, ME20 7PJ
Email:	
Telephone Number:	+44 (0)1622 795200
Contact person (if available)	
Nature of their business (retailer/agent etc)	



Name:	Selecta
Address:	Selecta Avenue, Great Barr, Birmingham, B44 9EH
Email:	info@selectasystems.com
Telephone Number:	(+44) 121 325 2100
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Ex-Cel
Address:	Ex-Cel Plastics Limited, Derrylavin, Kingscourt Road, Carrickmacross. County Monaghan, A81VY46, Ireland
Email:	
Telephone Number:	+353 (042) 967 3000
Contact person (if available)	
Nature of their business (retailer/agent etc)	

Name:	Palram
Address:	White Rose Way, Doncaster DN4 5JH, UK
Email:	sales.uk@palram.com
Telephone Number:	+44 1302 380738
Contact person (if available)	
Nature of their business (retailer/agent etc)	

3. Provide the details of all known suppliers, users and consumers of the goods in the UK, or associations of suppliers, users or consumers including:

**TRADE ASSOCIATIONS:**

Name:	Plastics Europe
Address:	6 Bath Place, Rivington Street, London EC2A 3JE, United Kingdom
Email:	<a href="mailto:uk@plasticseurope.org">uk@plasticseurope.org</a>
Telephone Number:	+32 (0)2 792 30 99
Contact Person (if available)	

Name:	BPF
Address:	BPF House, 6 Bath Place, Rivington Street, EC2A 3JE



Email:	reception@bpf.co.uk
Telephone Number:	+44 (0)20 74575000
Contact Person (if available)	

Name:	CIA
Address:	Kings Buildings, Smith Square, London, SW1P 3JJ
Email:	enquiries@cia.org.uk
Telephone Number:	020 7834 3399
Contact Person (if available)	

Name:	ECVM
Address:	The European Council of Vinyl Manufacturers, Avenue de Cortenbergh 71, 1000 Brussels, Belgium
Email:	<a href="mailto:info@pvc.org">info@pvc.org</a>
Telephone Number:	
Contact Person (if available)	

Name:	VinylPlus
Address:	Avenue de Cortenbergh 71 1000 Brussels, Belgium
Email:	info@vinylplus.eu
Telephone Number:	+32 (0)2 329 51 05
Contact Person (if available)	

Name:	CEFIC
Address:	Belliard, 40 - 1040 Brussels - Belgium
Email:	+32 2 436 93 00
Telephone Number:	
Contact Person (if available)	

Name:	EPPA
Address:	Rue Abbé Cuypers 3, 1040 Brussels – Belgium
Email:	info@eppa-profiles.eu
Telephone Number:	+32 486 85 96 02
Contact Person (if available)	



## Representativeness

### Summary of UK Producer support or opposition for this application

We need to know about the total volume of UK production for UK markets by the producers who support your application. **Please complete Annex 1**, which will guide you through the calculation of whether representativeness requirement is met in terms of volume and value. If any figures are estimates, please explain how you worked out this information.

The total volume produced in the UK over the POI was [redacted – confidential information].

### Market Share

1. The applicant UK industry/industries should have at least a 1% share of the UK market for the goods, irrespective of where the goods were produced. Please demonstrate this by **completing Annex 2**. If you have other specific market share information, please also provide that.

The Applicant represents 100% of UK industry. The UK industry held [redacted – confidential information] market share on the UK market during the POI.

For the purposes of Annex 2, the Applicant has used the following data to estimate the market shares:

#### *UK Sales Volume:*

The sum of the Applicant's sales in the UK to unrelated customers (tonnes) and sales in the UK to related customers (tonnes).

#### *UK Sales Value:*

The sum of the Applicant's sales in the UK to unrelated customers (€) and sales in the UK to related customers (€). The Applicant reports its financial accounts in EUR, thus the Applicant has converted the sales value from EUR to GBP for the relevant periods using the European Central Bank conversion rates as reported by the European Commission.<sup>11</sup>

#### *Import volumes and values:*

<sup>11</sup> European Commission, 'InforEuro Exchange Rate' (2023), accessible at: [https://commission.europa.eu/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate-inforeuro\\_en](https://commission.europa.eu/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate-inforeuro_en) (last accessed 6 November 2023).



The Applicant has used the figures reported by HMRC as the basis for import volumes and values recorded in Annex 2.

2. Please note that the requirement can be waived in certain circumstances, for example if your application is about imports preventing a UK industry from being established for a 1% market share. If you think the requirement should be waived, explain why.

Not applicable.

## Related Persons

If you know that the Applicant or any other known UK producer of the goods is related (as defined under [Regulation 128](#) of the Customs (Import Duty) (EU Exit) Regulations 2018 (a)) to an exporter or an importer of the goods, describe the company and the relationship.

Not applicable.



## About the allegedly dumped imports you want us to investigate

Complete this section if you are making an application for a dumping investigation.

Please give us all the information you can about the imported goods you believe are being dumped and the injury being caused to UK industry.

### Sufficiency Test

Please note that we may reject your application if there is not sufficient evidence of dumping or injury. Evidence of dumping is insufficient if the margin of dumping is less than 2% of the export price (minimal).

1. List all countries (or territories) where the imported goods are produced (country of origin) and the countries (or territories) from which they are exported to the UK, if this is different.

The United States of America (US).

2. **Complete Annex 2**, giving the volume and value of the imported goods for the POI, to demonstrate percentage of total imports.
3. Provide details and evidence of how the volume and value of dumped imports have been calculated.

The volume and value of dumped imports have been established on the basis of the import statistics reported by HMRC for the POI.

The Applicant has provided an overview of the volumes and values for the top 10 import origins in Appendix 2.

### Normal value

Normal value refers to the domestic price that the imported goods are normally sold for on the domestic market in their country of export. This value should then be adjusted for costs arising after the ex-works (EXW) level (and any other factors that need to be considered) to make a fair comparison with the export price.



If your complaint concerns more than one exporting country, calculate the normal value for each country

There are several different methods for calculating normal value, with the appropriate method being determined by the circumstances of trade between the exporting country and the UK, and the nature of exporting country's economy.

Therefore, when you tell us the normal value of the goods, you will also need to explain which method you are using to calculate it and why.

The methods are:

- 'Comparable Price', this is the price of the goods in the ordinary course of trade in the home market of the exporting country;
- Constructed Normal Values in the country of export based on the cost of production, plus reasonable amounts that would have been incurred on a domestic sale in the country of export for administrative, selling and general expenses and for profit;
- 'Sales made to a third country by the exporter', provided this amount is representative of the domestic selling price in sales in the country of export (provide evidence to support this); or
- If none of the above is possible, establish the normal domestic value from the best information available to you and provide this information to us, along with an explanation of the approach you have adopted. Alternatively, if prices in the exporter's domestic market are unavailable and it is not possible to construct a normal value, please contact TRID to discuss further options.

Where possible, you should calculate normal value using the 'Comparable Price' Method. However, there are situations where this would be inappropriate, and so one of the alternative methods should be used. This includes situations where:

- the goods are not sold in the ordinary course of trade in the domestic market of the exporting country;
- these sales on the domestic market of the exporting country sales don't allow a proper comparison with their sales on foreign markets because of:
  - a particular market situation;
  - low volume of sales in the domestic market of the exporting country;
- the overseas exporter does not sell these goods in their domestic market;
- the imports are from a particular foreign country – this is a specific term defined under [Regulation 14 of the Dumping & Subsidy Regulations](#) which



means that it's difficult to use prices of goods in that country as a fair comparison.

More information on each of these conditions and when they apply can be found in [our guidance on dumping investigations](#).

## Method

Please indicate below the method you have used for calculating normal value of the imported goods. If you have used an alternative basis to comparable price (e.g. constructed normal value), please explain why you believe it isn't appropriate to use comparable price and provide your evidence to support this.

The Applicant has used the 'comparable price' method to calculate the normal value.

The Applicant has based the normal value on prices obtained for PVC sold on the US domestic market. US domestic PVC prices were obtained from two separate market monitoring providers: Chemical Market Analytics (CMA) and S&P Global Commodity Insights (Platts). See Appendix 7 for further information on domestic US PVC pricing and the distribution model.

The domestic US prices reported by both CMA<sup>12</sup> and Platts<sup>13</sup> are US domestic contract prices. The prices are reported on a monthly or weekly basis. The normal value was therefore established using the average US domestic price for the period of September 2022-August 2023.

CMA and Platts both report the US domestic price on a 'delivered US' basis. Thus, in order to compare the normal value and export price at the same level of trade, the Applicant has deducted railcar costs from the reported prices in order to arrive at an EXW normal value.

To estimate the railcar costs of transport from the US producer to US customer, the Applicant used truck costs in the UK as a proxy. Truck costs were sourced by the Applicant from [redacted – contains confidential information]. The costs were estimated at between 10 – 20 £/t, thus the Applicant deducted 15£/t (converted to 18 \$/t) to remain conservative. This amounted to an EXW normal value of \$1606 on the basis of Platts. This amounted to an EXW normal value of \$1926 on the basis of CMA.

Furthermore, in order to remain conservative, the Applicant has also subtracted 25% from the reported contract price in order to account for the maximum discount typically applied to contract sales of PVC. The adjusted normal values were therefore as follows:

- Model 1 (Platts): \$1204
- Model 2 (CMA): \$1444

<sup>12</sup> PVC Susp US Domestic Delivered Railcar contract price.

<sup>13</sup> PVC Susp US Domestic Delivered Railcar contract price.



The adjusted normal value was then converted to GBP. Prices are converted using the exchange rates quoted by the European Central Bank. The exchange rates reported are monthly averages. The Applicant has therefore calculated an average conversion rate for the POI, September 2022-August 2023.

This calculation is provided in the Anti-Dumping and Subsidy Application form Annex 3.

Please give the normal value calculations using the appropriate section below, making sure to use the section relevant to the method you have described in this section. Delete tables for any methodologies you are not using.

The evidence you provide of normal value should, as far as possible:

be representative of different product types or models within the goods you are applying to us to investigate, if there are substantial differences in the normal value between these product types and models; and relate to normal value spread over the POI

## Comparable Price

Prices should be net ex-works (EXW) and exclude all internal taxes, such as VAT. If EXW prices are not available e.g. if Cost Insurance and Freight (CIF) or Free On Board (FOB) prices are the only ones available, these prices should be adjusted to bring them to a net ex-works level. If using this method, **please complete Annex 3.**

## Constructed Normal Value

**Please complete Annex 4**, explaining how each cost was calculated including:

- materials;
- direct labour;
- overheads;
- administration, sales and general expenses (ASG), excluding transport costs; and
- the reasonable profit margin in the country of origin.

Not Applicable.

Where there is a particular market situation, make adjustments to elements of cost or



profit that are not substantially determined by market forces. For further information, see our guidance on [adjusting costs when constructing normal value](#) or contact our Pre-Application Office ([contact@traderemedies.gov.uk](mailto:contact@traderemedies.gov.uk))

For any of the above methodologies, attach supporting documentation for the prices, costs and any adjustments (see below) you have made. This can include:

- price lists;
- price quotations;
- sales invoices for domestic sales;
- sales correspondence;
- publicly available material containing information on domestic selling prices; and
- market surveys.

Appendix 8 provides evidence of:

- US domestic price information obtained from market monitoring services, Platts and CMA.
- Normal value calculation using both Platts and CMA domestic prices.

## Selling Price from Exporter to a Third Country

If this is the preferred method, **please use Annex 3**, indicating here which country you are using, and amending the listed adjustments to better reflect the adjustments made. Prices should be net ex-works (EXW) and exclude all internal taxes, such as VAT. If EXW prices are not available e.g. if Cost Insurance and Freight (CIF) or Free On Board (FOB) prices are the only ones available, these prices should be adjusted to bring them to a net ex-works level

Not applicable.

## Appropriate third country

This method is only available for particular foreign countries as defined under [Regulation 14](#) of the D&S Regulations.

1. Nominate an appropriate third country so you can establish normal values based on their selling prices.



Not Applicable.

2. Explain your basis for selecting this third country.

Not Applicable.

3. **Please use Annex 3** to calculate the Normal value based on the third country data, amending the listed adjustments to better reflect the adjustments made. Prices should be net ex-works (EXW) and exclude all internal taxes, such as VAT. If EXW prices are not available e.g. if Cost Insurance and Freight (CIF) or Free On Board (FOB) prices are the only ones available, these prices should be adjusted to bring them to a net ex-works level

### Export price of the goods

The export price is the selling price of the goods from the exporting country to a UK importer or a third party for export to the UK. This is adjusted to account for export costs and calculated back to the ex-works export price in the country of export. In most cases, you can base the export price on the price charged by the exporter to an unrelated importer in the UK. If your complaint concerns more than one exporting country, calculate the export price for each country

However, you may need to construct export price based on sales to first independent buyers or another reasonable method if:

- there is no export price;
- the price is unreliable due to an association or compensatory arrangement between the exporter and UK importer or third party.

Before providing the export price of the goods, please explain which basis you are using to calculate this and why. If you have constructed the export price, please give your reasoning for doing this and evidence to support this.

The Applicant has calculated the export price on the basis of the average price recorded at the UK border for the imported goods originating in the US and imported into the UK. The average price reported by HMRC for the POI was 933.95 £/t.

The average price reported by HMRC for imports originating in the US, is expressed in CIF terms. Thus, the Applicant has made certain adjustments in order to obtain a EXW price.



The Applicant has accounted for the following costs to arrive at an EXW export price:

- Handling costs (UK)
- Freight rates (FAS Houston – CIF Felixstowe)
- Railcar costs incurred for transport from US producer to US trader (UK price as proxy)

The producer provided North America-UK freight rates on the basis of data from the [redacted – contains confidential information]. The average handling and freight cost for the POI was estimated at 80 £/t during the POI.

The Applicant understands (see Appendix 7) that US producers sell for export via traders. The Applicant has therefore deducted railcar costs incurred for transport between the producer and the trader. The Applicant used truck costs in the UK as a proxy. Truck costs were sourced by the Applicant from [redacted – contains confidential information]. The costs were estimated at between 10 – 20 £/t, thus the Applicant deducted 15£/t to remain conservative.

The export price EXW was therefore established at 839 £/t, prior to adjustments made for a fair comparison.

The Applicant considers that US PVC traders take a typical margin of 10%. Thus, the EXW export price was then reduced by 10% to account for this margin.

The export price calculations are provided in Annex 5 and Appendix 9.

Please give your export price calculations in the appropriate table below. Make sure you use the basis you described above and delete tables for any methodologies you are not using. Please note that whichever methodology you use, you will need to provide an export price on a CIF and EXW level. You should use price information from the POI.

The evidence you provide of the export price should, as far as possible:

- be representative of different product types or models within the goods you are applying to us to investigate, if there are substantial differences in the normal value between these product types and models; and
- relate to normal value spread over the POI

If either/both of these are not possible, please explain why. If you consider that export prices would not have varied significantly over the last year and so prices over the period outlined above would not be relevant for establishing representative export prices, please explain why you consider that to be the case.



## **Export price based on the selling price of the goods from the exporting country to a UK importer or a third party for export to the UK**

Provide the export prices of the allegedly dumped goods using Annex 5 Evidence and individually itemise the costs subtracted from this selling price to bring it back to an ex-works level, such as publicly available freight rates. Explain how the amounts were established.

Provide documentary evidence for the selling price to the importer in the UK, such as:

- sales invoices;
- written offers;
- price quotations;
- sales correspondence; or
- official statistics.

Appendix 9 provides:

- Price quotations obtained through Applicant market intelligence
- HMRC official import statistics for PVC imports originating in the US
- Export price calculation using HMRC CIF import price as the basis, adjusted back to EXW.

## **Constructed Export Price**

Calculate the constructed export price(s).

You may need to adjust for any costs included in the selling price which relate to the movement of the goods to the UK. If you are using sales to the first independent buyer as a basis for constructing, establish the details of the first sale to an independent buyer in the UK and deduct taxes, costs, charges, expenses and profit margins to obtain an ex-works price in the country of origin.

If there are different models or types of product for the imported goods, please construct a price for each one. Provide each adjustment separately. If your starting point is a CIF value, you will only have to find and deduct costs incurred by the exporter in the country of export from CIF back to the ex-works level.



Provide evidence to show how you have calculated or estimated the export prices. Include all the evidence you have on the resale price of the imported goods in the UK. Provide the basis for the costs and profits subtracted from this selling price to bring it back to an ex-works level such as published industry mark-ups or publicly available freight rates and give evidence to support each cost adjustment.

*Please answer here*

## Fair Comparison

To achieve an appropriate price comparison, the export price and the normal value should be compared at a fair level, in terms of their basic physical and chemical characteristics and the terms and conditions of sale. To achieve this comparison, please adjust your calculations to account for any differences which affect price comparability. This means that the comparison should be made at the same level of trade (such as wholesale or retail), at ex-factory level (EXW), and where possible, at the same time.

For certain types of adjustment, only the normal value may need to be adjusted. Sometimes both the normal value and export price will need to be adjusted. Use the table of adjustments below to check if the adjustment can be applied to export price or normal value or both. For more information, please consult our [fair comparison guidance](#).

Table of adjustments	Export Price	Normal Value
Physical characteristics	No	Yes
Import charges and indirect taxes	No	Yes
Discounts, rebates, quantities	Yes	Yes
Level of trade	No	Yes
Transport, insurance, handling	Yes	Yes
Packing	Yes	Yes
Credit	Yes	Yes
After sales costs	Yes	Yes
Commissions	Yes	Yes
Currency Conversion	Yes	Yes

1. Provide the relevant adjustments so you can compare the export price and normal value.

The US PVC Export Market



The US PVC export market is largely based on a trader distribution model whereby traders in the US purchase PVC from US producers for export. A list of US producers and traders can be found above. More detailed information on the distribution model in the US PVC export market can be found in Appendix 7.

According to market intelligence, contracts are in place between US producers and traders to ensure that the US product is exported and not sold back into the US market. US producers sell their exports to traders on an ex-works basis and the rest of the export price is determined by traders who export on a FAS Houston basis.

Adjustments: Normal value

As explained above, CMA and Platts both report the US domestic price on a 'delivered US' basis. Thus, in order to compare the normal value and export price at the same level of trade, the Applicant has deducted railcar costs from the reported prices in order to arrive at an EXW normal value.

To estimate the railcar costs of transport from the US producer to US customer, the Applicant used truck costs in the UK as a proxy. Truck costs were sourced by the Applicant from [redacted – contains confidential information]. The costs were estimated at between 10 – 20 £/t, thus the Applicant deducted 15£/t (converted to 18 \$/t) to remain conservative.

Furthermore, to ensure a fair comparison at the same level of trade, the Applicant has also subtracted 25% from the reported contract price in order to account for the maximum discount typically applied to contract sales of PVC.

Adjustments: Export price

To ensure a fair comparison at the same level of trade, the average CIF price was converted to an ex-works price in the US by accounting for the following costs incurred between the US producer's sale at EXW level and the CIF price recorded on HMRC:

- Handling costs (UK)
- Freight rates (FAS Houston – CIF Felixstowe)
- Railcar costs incurred for transport from US producer to US trader (UK price as proxy)
- 10% trader margin

Handling costs and Freight costs were retrieved from the Applicant. The producer provided North America-UK freight rates on the basis of data from [redacted – contains confidential information]. The average handling and freight cost for the POI was estimated at 80 £/t during the POI.

To estimate the railcar costs of transport from the US producer to US trader, the Applicant used truck costs in the UK as a proxy. Truck costs were sourced by the Applicant from [redacted – contains confidential information]. The costs were



estimated at between 10 – 20 £/t, thus the Applicant deduced 15£/t to remain conservative.

The Applicant considers that US PVC traders take a typical margin of 10%. Thus, the Applicant has reduced the export price to account for this trader margin.

2. Provide, for all adjustments you make, the following:

- details of the differences that resulted in an adjustment;
- details of how you produced the estimate of the allowances for the differences; and
- supporting evidence concerning these differences.

This is covered in the section above.

## Dumping Margin

If the overall dumping margin calculated across all product types/models and across all transactions is **less than 2%**, the Regulations consider this to be minimal and we cannot initiate an investigation.

1. Calculate the dumping margin. **Complete Annex 7**, repeating the calculation for each different model of the imported goods you have previously identified. Make sure you do this for each export price you have provided and for the normal value you have provided which is most closely comparable to that export price. If your complaint concerns more than one exporting country, calculate the dumping margin for each country.

If the normal value or the export price (or both) you have used was not an ex-works price, please describe the level of trade it relates to.

The Applicant calculated two dumping margins on the basis of two different normal values. This resulted in a dumping margin of 47.08% and 25.84%.

The dumping margin is expressed as a percentage of the CIF import price (see Annex 7 and Appendix 10).



## Subsidised imports

Complete this section if you are making an application for a subsidy investigation.

In order for us to investigate whether the goods are subsidised, we must be satisfied that the application contains enough evidence:

- that the goods are being imported
- that the goods are subsidised
- that the goods are causing injury to UK industry
- that the volume of goods and injury is more than negligible and the amount of subsidy is more than minimal
- that the market share is met or waived.

'Minimal', for developed countries, means a subsidy amount that is less than 1% of the estimated value of the goods (2% in the case of a developing country).

'Negligible' is where the exporting country accounts for less than 3% of imports of the goods in question into the UK (less than 4% in the case of a developing country). The other exception to this is where the exporting countries individually account for less than 3%, but collectively account for more than 7% of imports of the goods being imported.

### Volume of subsidised imports

1. List all countries (or territories) that export the goods to the UK, noting whether they are the country of origin or just the exporting country; in the latter case, please provide the identity of the country of origin.

*Please answer here*

Appendix reference:

2. **Complete the Annex 2**, giving the volume and value of the imported goods for the POI, to demonstrate percentage of total imports.

3. Provide details and evidence of how the volume and value of subsidised imports have been calculated.

*Please answer here*

Appendix reference:



## Countervailable subsidies in the exporting country

A subsidy exists if there is a financial contribution by a foreign authority which confers a benefit on the recipient (usually an industry or business manufacturing goods) or a form of income or price support received from a foreign authority which confers a benefit on the recipient. Forms of income and price support are defined in [Article XVI of the General Agreement on Tariffs and Trade 1994](#) (part of Annex 1A to the WTO Agreement).

Not all subsidies are countervailable. A subsidy is countervailable if it is specific to certain companies or industries (rather than general) and when it is granted either directly or indirectly for the manufacture, production, export or transport of goods.

Please refer to our guidance on [How we carry out a subsidy investigation](#) for further information.

1. Using the table below, list all known countervailable subsidy programmes in the exporting country which relate to the production and/or sale of the goods you are asking us to investigate. Subsidy programmes can include, but are not limited to:

- Grants
- Loans and loan guarantees
- Tariff/tax exemptions (including VAT/Sales Tax)
- Debt for equity swaps
- Land use rights
- Export credits and financing
- Equity infusions
- Provision of goods and services
- Purchase of goods
- Income or price support arrangements.

### Subsidy programmes

Subsidy name	Subsidy type



+Add/remove additional rows as required.

To understand if there has been a financial contribution, we need to identify if:

- there has been a direct transfer of funds from a foreign authority, including making money and financial resources available;
- there has been a potential direct transfer of funds from a foreign authority, including a commitment to transfer funds;
- revenue that is rightfully due to government has not been collected (waived or deferred), including, taxes, debt, derivatives, or dividends;
- goods and services have been provided for by a foreign authority, at a lower amount than normally would have been paid;
- goods were purchased from a producer by a foreign authority, that artificially increases the revenue gained from selling the goods; or
- a foreign authority has:
  - made payments through a financial mechanism, or
  - entrusted or directed a private body to carry out any of the above functions.

2. For all subsidy programmes listed above, please explain and provide documentary evidence of the subsidy programme (the financial contribution), including:

- the subsidy programme’s commencement date;
- the subsidy amount or value; and
- the frequency of subsidy i.e. one-off or re-occurring.

*Please answer here*

Appendix reference:

3. For all subsidy programmes listed above, please explain and provide documentary evidence that the subsidy has been (or is still being) provided by a foreign authority.

*Please answer here*

Appendix reference:

As well as establishing that a subsidy is in place, we need to understand the benefit it confers on the recipient. A benefit cannot exist theoretically – it has to be received



by a recipient. It is important to note that the recipient of the benefit doesn't necessarily need to be the same recipient that received the financial contribution. For example, a subsidy provided to an upstream industry provides a benefit to a downstream industry.

4. For all subsidy programmes listed above, please explain and provide documentary evidence of the effect of the subsidy on the production and sales of the goods being imported to the UK.

*Please answer here*

Appendix reference:

5. For all subsidy programmes listed above, please explain and provide documentary evidence of the specific nature of the subsidy, including:

- conditions of eligibility to receive the subsidy;
- all known recipients of the subsidy;
- whether the subsidy is only available to certain regions or territories within the exporting country.

*Please answer here*

Appendix reference:

## Calculating how much subsidy the imported goods attract

We need to understand the amount of subsidy which the subsidised imports receive. If we establish that a measure is needed to counteract the injury the goods are causing to the UK market, this will help us determine what sort of measure to recommend and at what level.

To make this calculation, we will need to establish:

- the total amount of the countervailable subsidy;
  - the amount of the countervailable subsidy that can be attributed to the POI; and
  - which goods the countervailable subsidy can be allocated to during the POI.
1. For all subsidy programmes listed above, please explain and provide documentary evidence about the total amount of countervailable subsidy that the imported goods attract. You will need to explain the calculation methodology used. It is the benefit to the recipient that matters, not the cost (or



opportunity cost) to the foreign authority. You should refer to our [How we assess the benefit a subsidy provides](#) guidance to understand what is required.

<i>Please answer here</i>	
	Appendix reference:

- For all subsidy programmes listed above, please explain and provide documentary evidence relating to the amount of the countervailable subsidy that can attributed to the period of investigation, including the calculation methodology you used. You should refer to our guidance on [Determining the amount of the subsidy that can be attributed to the period of investigation](#) when completing this section.

<i>Please answer here</i>	
	Appendix reference:

- For all subsidy programmes listed above, please explain and provide documentary evidence relating to the goods the countervailable subsidy that can be attributed to during the period of investigation, including any calculation methodologies used. You should refer to our guidance on [Determining the amount of the subsidy that can be attributed to the period of investigation](#) when completing this section. We will be specifically looking at whether the subsidy is linked to the export of certain goods, the sale of certain goods, or to sales to a certain market.

<i>Please answer here</i>	
	Appendix reference:



## Injury

This section is about injury which the imports may be causing to the UK industry for the goods.

Injury as defined by the Act can refer to:

- Material injury, or the threat of material injury to the industry, or
- Material retardation of the establishment of the industry.

If your industry has suffered or is suffering material injury, all companies/associations involved in this application must complete the section G1 separately. This section should also be completed to represent the entire UK industry. Label each completed section clearly showing who it relates to.

If your industry is threatened with material injury but there is no injury yet, all companies/associations involved in this application must complete the section G1 separately. This section should also be completed to represent the entire UK industry. Label each completed section clearly showing who it relates to.

If your industry is nascent and is being or has been materially retarded, please contact us at [contact@traderemedies.gov.uk](mailto:contact@traderemedies.gov.uk).

### Material Injury

Material injury is determined through a number of injury indicators. Not all the injury factors need to indicate material injury, but all the factors need to be considered in order to establish material injury. These include, but are not limited to:

- Actual and potential decline in: sales, profit, output, market share, productivity, return on investments, or use of capacity;
  - Factors affecting domestic prices of the goods;
  - The magnitude of the margin of dumping and/or the amount of subsidy; and
  - Actual and potential negative effects on: cash flow, inventories, employment, wages, growth, ability to raise capital, or investments.
1. Please describe, with appropriate figures, how the UK industry for these goods has performed in terms of each of the above injury indicators for the POI, and injury period.
    - Explain how you have calculated the figures and substantiate your figures with evidence.
    - Provide evidence for each indicator.



- If you don't know the exact figures for other UK producers, provide an estimate based on reasonable assumptions.
- State the methodology and assumptions that you used.

The injury indicators have been established on the basis of the Applicant's data. The Applicant represents 100% of the total UK production during the POI. This data is set out in Appendix 6.

The Applicant reports its financial accounts in EUR. Thus, the injury data reported in Appendix 6 is expressed in EUR and has been analysed in EUR. For the undercutting, underselling and price depression analysis the Applicant has converted the UK Sales price and Cost of Production from €/t to £/t in order to accurately compare with the US import price which is reported in £/t.

*[Appendix 6 contains confidential information. The Applicant has provided indexes for all confidential information redacted below in order to highlight the trends discussed in this section of the Application.]*

**Total UK Sales and Market Share:**

The apparent consumption in the UK has been established on the basis of total sales in the UK, plus total imports into the UK.

The consumption and market shares are outlined in Appendix 6.

Total Sales in the UK over the POI were [redacted – contains confidential information], total UK consumption was estimated at [redacted – contains confidential information]. On this basis, the UK industry held a [redacted – contains confidential information] market share during the POI. The UK industry market share decreased during the Injury Period from [redacted – contains confidential information] in 2020. US imports more than doubled their market share over the same period from [redacted – contains confidential information] in 2020 to [redacted – contains confidential information] during the POI.

**Sales volume and sales price to unrelated customers:**

The UK industry's sales volume to unrelated customers decreased over the Injury Period by [redacted – contains confidential information]. The UK average sales price (unrelated) in €/t increased from 2020 to 2022, in line with the rise in energy costs. The sales price then decreased significantly from 2022 to the POI by [redacted – contains confidential information].

**Output and capacity utilisation:**



Total UK production during the POI was [redacted – contains confidential information]. The production volume decreased over the Injury Period by [redacted – contains confidential information]. While capacity remained stable throughout the Injury Period, the utilisation rate declined significantly by [redacted – contains confidential information], reaching a utilisation rate of only [redacted – contains confidential information] during the POI.

***Profit:***

Profitability increased between 2020 and 2021 as a result of the post-Covid boom. There was a drop off after the post-Covid boom in 2022 followed by a sudden, significant decline in profitability during the POI. Profitability reached a low of [redacted – contains confidential information] during the POI which is very low for the PVC industry and is not sustainable.

Furthermore, during the POI the Applicant's profitability declined substantially with the industry [redacted – contains confidential information] in the final months of the POI. Profitability for the industry reached a low of [redacted – contains confidential information] in August 2023.

***Investments:***

Investments increased by 37% from 2020 to the POI. This must be read in light of the trends in cash flow over the same period, which decreased by [redacted – contains confidential information] from 2020 to the POI. Investments are largely based on maintenance of the production plant. Due to the significant size of PVC production plants, the necessary capital expenditure for maintenance alone, is substantial. Furthermore, significant investment is needed to achieve 2030 decarbonisation targets and to reach the UK's sustainability objectives.

***Stocks:***

Stocks decreased significantly over the Injury Period, [redacted – contains confidential information] from 2020 to the POI. This is as a result of plants running at minimum utilisation rates which leads to a decline in stock. In light of the low import prices of PVC originating in the US, the UK industry is becoming increasingly less competitive and demand for UK produced and fairly priced PVC is decreasing. Thus, if the UK industry were to maintain high operating rates, this would inevitably lead to an increase in stock levels with high stock levels significantly increasing production costs. As a result of a decline in sales, the Applicant has decreased production, thereby decreasing stocks.

***Employment and productivity:***

Employment decreased by 10% during the Injury Period. Productivity levels also decreased by 29% over the same period.



2. Is your company suffering injury which you believe to have been caused by the imported goods? If so, please describe the injury. You may want to include the prices, volumes or profits associated with your production and sale of the goods you manufacture or describe other aspects of your business. Please specify and substantiate your claims with evidence. Please estimate the date when the injury began to affect your business. Explain how it has developed since this date.

Please see Appendix 6 which shows the key injury indicators over the period from 2020 to the POI. This confidential file shows that the Applicant suffered material injury in the POI. *[Appendix 6 contains confidential information. By way of non-confidential summary the Applicant has provided indexes for all injury indicators.]*

3. Report your total cost to make and sell like goods in the UK. Please clearly separate your costs of production (direct manufacturing costs and indirect costs), from your administrative, selling and general expenses (AS&G). Provide costs for each model that you produce. When giving your labour costs, please ensure you include all labour costs, directly or indirectly incurred by any activity related to the goods.

The Applicant's cost of production is set out in Appendix 6.b. The Applicant has clearly separated costs of production for the following: raw materials, labour & direct costs, overhead expenses and SG&A and financial costs.

4. For the goods that you produce, please state what level of profit, before tax and as a percentage of turnover, your company would expect to achieve if there was no injury from the imported goods and explain how you arrived at this figure.

The Applicant considers that a 15% profit margin is appropriate for the production of S-PVC in the UK. A profit margin of 15% is considered a normal profitability margin for the chemical industry and on average is the target % of EBITDA for the Applicant. This figure represents the level of EBITDA needed to invest and to maintain production capacity.

The PVC industry is a capital-intensive industry which needs to achieve 15% profit margins to be sustainable. This includes re-investing in existing plants to ensure future operations and to remain competitive against imports from countries that have lower energy costs and less stringent decarbonisation requirements.



5. Explain if your current sales prices for the goods are the same as your target sales prices. If not, please explain the reasons for this.

The price underselling calculation are provided in Appendix 11. As explained above, the Applicant reports its financial accounts in EUR. Thus, for the underselling analysis, the Applicant has converted the Applicant Cost of Production from €/t to £/t in order to accurately compare with the US import price which is reported in £/t.

The current sales price for the goods is not the same as the target sales price due to dumping on the market of goods originating in the US. The Applicant's current unit sales price to unrelated customers is [redacted – contains confidential information] for the POI. (See Appendix 6)

The Applicant made an average profit of [redacted – contains confidential information] during the POI, this is significantly below the target profit of 15%.

Taking the actual sales price and deducting the current profit of [redacted – contains confidential information] and adding to that figure a 15% profit margin provides a target price of [redacted – contains confidential information] during the POI. The current sales price is significantly below the target price.

**Price underselling:**

Due to the price pressure from dumped imports on the UK market during the POI, the UK industry could not sell at the price it would reasonably have expected to sell in the absence of dumped imports. The Applicant compared the US average import price into the UK market (adding the applicable customs duty of 6%), compared with a target price using 15% target profit. This result in an underselling margin of [15% to 20%]. (See Appendix 11)

6. Provide details of any price undercutting and and/or if the prices of the dumped and/or subsidised imports are reducing or negatively affecting prices in the UK. Compare the sales prices of the dumped and/or subsidised imports with the sales prices of your goods on the UK market. Include any supporting evidence.

Price undercutting and price depression calculations are provided in Appendix 11. As explained above, the Applicant reports its financial accounts in EUR. Thus, for the undercutting and price depression analysis the Applicant has converted the UK Sales price and Cost of Production from €/t to £/t in order to accurately compare with the US import price which is reported in £/t.

**Price undercutting:** Undercutting was computed for the POI by comparing the average import price of PVC from the US (adding the applicable customs duty of 6%),



with the average price of sales of the Applicant during the POI to unrelated customers in the UK. This resulted in undercutting margin of [6% to 11%] during the POI.

**Price depression:** The Applicant considers that during the POI, imports originating in the US are depressing prices in the UK. [redacted – contains confidential information. Appendix 11.b provides indexes for both the Applicant’s sales price to unrelated customers and the US CIF import price. The indexes show a declining trend in both UK sales price and US import price, thereby indicating the presence of price depression].

In September 2022, the average UK sales price was [redacted – contains confidential information] whereas in August 2023, the average UK sales price was down to [redacted – contains confidential information]. This is a sign of price depression.

## Threat of injury

1. Describe the change in circumstances that means the threat of material injury from dumping and/or subsidisation is foreseeable and imminent. The factors behind these changes could include:
  - the rate of increase of dumped and/or subsidised imports;
  - changes to the available production capacity of the exporters;
  - changes to inventories of the imported goods (i.e. if large stocks of these goods are building up in their country of origin ready for export);
  - expected price depression or price suppression of further imports; and
  - any other relevant factors.

The Applicant considers that it has demonstrated, in the previous section of this Application, that it is suffering material injury. However, developments in the EU are expected to amplify the injury that is already present in the UK market. For that reason, the Applicant will also complete the Threat of Injury section of the Application form.

**[Redacted – confidential information. This information could have an impact on the market. By way of non-confidential summary, the information provided by the Applicant shows a further threat of injury.]**

### **Rate of increase of dumped imports:**

The volume of imports from the US has increased significantly over the Injury Period. The rate of increase is also significant. The volume of imports from the US increased



from 19,661 tonnes in 2020 to 45,059 tonnes during the POI. During this period, US imports also gained an additional [redacted – contains confidential information] market share. This is significant. Thus, it is clear that imports originating in the US have increased substantially in both absolute and relative terms. This is evidence that the UK industry is facing a threat of material injury.

It should be noted that imports from the US were lower from June-August 2023 as compared to the beginning of 2023. This is due to the impact of the temporary plant closure of US VCM producer, Olin. Olin supplies about half of the Shintech PVC plant production requirements. This caused a decline in Shintech’s output, therefore affecting the export capacity. ICIS<sup>14</sup> has reported that Olin’s plant is now operational, and that PVC production will soon ramp up.<sup>15</sup> The Applicant considers that this will lead to a return in the upwards trend of US imports.

**Changes to available production capacity of the exporters:**

Significant overcapacities exist in the US and will continue to fuel exports of dumped PVC. Appendix 12 shows the supply-demand balance development in the US as reported by CMA. This data highlights the following trend in overcapacities over the Injury Period:

Year	2020	2021	2022
Capacity (t)	[7.3 million to 8.8 million]	[7.4 million to 8.9 million]	[8 million to 9.6 million]
Domestic demand (t)	[3.9 million to 5.4 million]	[4.7 million to 6.3 million]	[4.3 million to 5.9 million]
Overcapacity (t)	[2.4 million to 3.3 million]	[2.0 million to 3 million]	[2.7 million to 3.9 million]

*[redacted – actual supply-demand figures are subject to a copyright and are therefore confidential. By way of non-confidential summary, the Applicant has provided ranges for the Injury Period].*

The US’ PVC production capacity has increased significantly over the Injury Period. The US had an export capacity of [2.7 million to 3.9 million] tonnes for 2022 which demonstrates the ability of the US to continue to increase exports of dumped PVC to the UK market. These figures are particularly concerning in light of the UK’s consumption which, as highlighted above, has declined since 2021. During the POI, the UK’s PVC consumption was estimated at [redacted – confidential information] tonnes as compared to [redacted – confidential information] in 2021.

Furthermore, the UK market is highly attractive to the US. This is largely due to the market price in the UK: (i) as a result of the recent energy and cost of living crisis, UK

<sup>14</sup> Independence Commodity Intelligence Service (ICIS), market monitoring service for the chemical industry.

<sup>15</sup>See Appendix 4.



prices have increased significantly; and (ii) the PVC market in Asia has become very weak with low (and thus less attractive) prices.

As a result of the recent energy crisis, UK costs of production have increased substantially resulting in a significant increase in the prices sought by UK producers. Costs of production in the US remained well below UK costs as, inter alia, exporters have not been hit by the energy crisis to the same extent as UK producers. This puts the exporting producers at a significant competitive advantage when selling on the UK market. Exporting producers from the US are able to undercut UK prices while covering their costs with the knowledge that UK producers cannot compete without suffering material injury.

Recently CMA published the following statement in the World Vinyl's report:

*"Europe's high-cost position makes it a destination of choice for PVC imports from North America and Northeast Asia where producers have a cost advantage over West Europe. Between 2022 and 2027, PVC imports to West Europe are expected to remain 35-40% higher compared to the average import volume between 2017 and 2021."* (See Appendix 13)

Platts PolymerScan for 2022 similarly reported with regard to the worsening macroeconomic factors:

*"Producers blamed weaker demand and high production rates in export markets, such as the US, which has sought to export most of its excess product to Europe"* (See Appendix 13)

Furthermore, specifically with the regard to the US, Platts reported that:

*"Production in exporting countries such as the US is running at full operating rates and freight capacity is also full and freight rates are at competitive prices. US exporters were willing to continue to produce as long as production costs were not negative, and this posed a problem for European suppliers that were saddled with higher energy and upstream production costs and meaning they would have to compete at below cash cost levels."* (See Appendix 13)

Not only is the UK market increasingly attractive due to higher prices, but it is rendered more attractive as a result of the current state of the Asian market which has become very weak.

This was recently reported by Platts:

*"With Asian demand weak, US and Middle Eastern suppliers were looking to divert product away from Asia and toward Europe, where prices were higher and where producer costs were reflective of that."* (See Appendix 13)



Similarly, ICIS reported in March of 2023 that:

*“Demand in Asia has shown no signs of a surge since the reopening of the Chinese economy. Oversupply in the region has led to sharper than expected price cuts in Asia, and reports are that steep decline in prices failed to find enough buyers for this month’s allotments in the region. China once again, is at the heart of changes in the global market, and not in a good way.”* (See Appendix 13)

The Applicant considers that this highlights the attractiveness of the UK market for US PVC exporters.

**Expected price depression or price suppression of further imports:**

The Applicant considers that during the POI, imports originating in the US are depressing prices in the UK. [redacted – contains confidential information. Appendix 11.b provides indexes for both the Applicant’s sales price to unrelated customers and the US CIF import price. The indexes show a declining trend in both UK sales price and US import price, thereby indicating the presence of price depression].

In September 2022 the average UK sales price was [redacted – contains confidential information] whereas in August 2023, the average UK sales price was down to [redacted – contains confidential information]. This is a sign of price depression. (See Appendix 11.)

2. If appropriate, include an analysis of trends (or a projection of trends) and market conditions illustrating that the threat is both foreseeable and imminent.

See above.

3. Explain why you believe the threatened injury to your industry will be material.

Injury is already material. The threat described in answers to questions 1 and 2 of this Section amplifies the material injury.



## Causal link between the imported goods and injury to your industry

For TRID to initiate an investigation, there must be evidence of a causal relationship between the injury to the UK Industry and the alleged dumping and/or subsidisation.

1. If your company is suffering injury, please explain and provide evidence that shows how this has been caused by the goods you want us to investigate. Describe how the volumes and prices of the imported goods have affected your industry, basing your answer on the injury indicators in the previous section.

Imports of PVC originating in the US are causing the material injury to the UK PVC industry.

The Applicant analysed the quantity, average price per metric tonne and relative percentage of total imports of PVC for the top ten importing countries into the UK to show that imports from the US are causing injury.

### US Import Volumes

Imports originating in the US have increased from 2022 to the POI, this corresponded with an increase in their share of total imports into the UK – from 11% to 16%.<sup>16</sup>

The increase in dumped imports from the US correlates to the increase in the US's market share and the drop in the UK industry's market share. The UK industry's market share dropped by [redacted – confidential information] over the Injury Period while the US industry's market share increased by [redacted – confidential information].

According to the figures reported by HMRC, PVC Imports originating in the US amounted to 45,059 tonnes during the POI and accounted for 16% of total imports into the UK, representing the third largest share of total imports. However, the Applicant considers that it is likely that the US share of total imports into the UK is greater than 16%. The Applicant suspects that there is a large degree of passthrough traffic included in the figures reported by HMRC for imports into the UK under HS code 3904100. [redacted – confidential information concerning the Applicant's analysis of HMRC import statistics. By way of non-confidential summary, the Applicant summarises that market intelligence was submitted which suggests that there is a presence of passthrough traffic in the import volumes reported for Belgium, Norway and Ireland. The Applicant considers that a portion of this passthrough traffic likely originates in the US.]

<sup>16</sup> See Appendix 2.



### US Pricing

The import values from the US show that, during the POI, the average price per metric tonne is significantly below the average price for all imports. During the POI, US prices were 934 £/t as compared to the world average of 1,220 £/t.

Most significantly, US imports are undercutting UK sales by [6% to 11%] during the POI and leading to an underselling margin of [15% to 20%]. US imports are even entering the UK market at prices below the cost of production in the UK during the POI.

(See Appendix 11 an estimate of the undercutting and underselling margins.)

2. Please indicate if the injury to your industry could be attributable in part or in full to any factors other than dumped or subsidised imports, for example:
- volume and prices of imports not sold at dumped prices;
  - contraction in demand or changes in patterns of consumption;
  - restrictive trade practices of, and competition between, third country and UK producers;
  - developments in technology; and
  - export performance and the productivity of the UK industry.
  - This may be relevant as an industry weakened by other events may be more susceptible to injury from dumped or subsidised goods.

Netherlands and Belgium each accounted for a higher % of total imports with 27% and 20%, respectively. As explained above, the Applicant considers that a significant portion of these imports is passthrough traffic, potentially originating in the US. Nevertheless, the Applicant does not consider that injury to the industry can be attributed to the Netherlands and Belgium. The average import price for PVC imported from the Netherlands during the POI was 1,204 £/t whereas the average import price for PVC from Belgium was 1,231 £/t. This is significantly above the price for imports originating in the US which was 934 £/t during the POI. Furthermore, imports from both the Netherlands and Belgium were entering the UK market at a price similar to the average price of imports during the POI from all origins which was 1,220 £/t during the POI.

The average import price for imports originating in Mexico during the POI was 1,007 £/t. While the Applicant considered this price to be low, a dumping calculation was carried out which confirmed that imports from Mexico were not entering the UK



market at dumped prices (see Appendix 14). Thus, the Applicant concluded that injury could not be attributable to imports originating in Mexico.

Total UK consumption was estimated at [redacted – confidential information] during the POI. This is an increase of 4% from 2020 whereas total sales of UK producers in the UK decreased by 31% over the same period. From 2020 to the POI, imports originating in the US have continued to increase. US imports have increased their market share by [redacted – confidential information] over this period, exporting more than double the volume of PVC in the POI as compared to 2020. This shows that the injury sustained by the UK industry cannot be attributed to the changes in patterns of consumption.

The Applicant considers that no other factors are causing injury to the UK PVC industry. Dumped imports originating in the US are the only cause of injury.

3. Please provide evidence to support this information.

See above.



## Declaration

This application is made by, or on behalf of, a UK industry that produces like goods to those that are the subject of this application.

This UK industry has at least 1% market share, taking into account the goods and particular market for those goods.

This application has the support of that UK industry as required in the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019. Specifically, producer support for this application is greater than producer opposition and represents at least 25% of all UK production of the like goods.

The information contained in this application:

- provides evidence that goods have been or are being dumped and/or evidence that subsidised goods have been or are being imported into the UK (as per schedule 1(g) and 2(g) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019);
- provides evidence that the dumped and/or subsidised goods are causing injury to the UK industry (as per schedule 1(i) and 2(i) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019);
- is sufficient to initiate an anti-dumping and/or subsidy investigation as per schedule 4 paragraph 9(1)(b) of the Taxation (Cross-border Trade) Act 2018; and
- is accurate and complete.

Name:	[redacted – personal information]
Company/Association:	O’Connor & Company European Lawyers
Position:	Lawyer
Company Registration number (if applicable):	[redacted – personal information]
Date:	7 November 2023
Signature:	[redacted – personal information]



## Checklist

### Important

Please ensure that you have completed this application fully and refer to any attached documents using the corresponding appendix reference.

Complete the checklist above, to demonstrate you have covered all of the points, and attach evidence to support your claims and calculations.

Keep a copy of this application for your reference in case any queries arise when we are assessing the application. You will also need to refer to it if we initiate an investigation.

- The details of the UK producers making the application and level of UK industry support for the application
- The details of all known UK producers/associations of UK producers of like goods
- The volume and value of the domestic production of the like goods both by producers making the application and all other known UK producers
- Information that the market share requirement is met
- A complete description of the imported goods
- The names of countries/territories of origin and export of the imported goods
- The details of the exporters or overseas producers of the imported goods
- The details of the companies or individuals known to be importing the goods
- Normal values of the goods *Dumping applications only*
- Export prices of the goods *Dumping applications only*



- Details of subsidy programmes associated with the imported goods  
***Subsidy applications only***
- The amount of countervailable subsidy attributable to the alleged subsidised goods imported into the UK ***Subsidy applications only***
- Changes in import volumes of the goods
- Effects of the imported goods on prices of like goods produced in the UK
- Impact of the imports have caused to the UK industry