



Trade Remedies
Authority

Recommendation to the Secretary of State

Case SC0039

**Scope Review of countervailing duties on imports of continuous filament glass
fibre products originating in Egypt**

Contents

SECTION A: Introduction.....	3
SECTION B: The goods subject to review	5
SECTION C: Requirements to vary the scope	5
SECTION D: Findings and recommendation	8
Annex 1: EU countervailing duties imposed by EU Regulation 2020/870	10
Annex 2: Interested parties and contributors	10

SECTION A: Introduction

1. Under regulation 74(1) of The Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (the Regulations), the Trade Remedies Authority (TRA) may conduct a review (a scope review) to consider whether the goods or the description of goods to which an anti-dumping amount or a countervailing amount is applicable should be varied.
2. The goods subject to review in this case are mats made of glass fibre filaments, excluding mats of glass wool, originating in Egypt.
3. The EU initially imposed countervailing duties on continuous filament glass fibre products (GFR) originating in Egypt, which includes the goods subject to review, under [Commission Implementing Regulation \(EU\) 2020/870](#) on 24 June 2020.
4. During the transition period, the Secretary of State for International Trade determined that the measures should be maintained in the UK from 31 December 2020 in accordance with [Notice of Determination 2020/37](#) and [Taxation Notice 2020/37](#).
5. On 26 May 2023, the TRA received an application for a scope review ([the Application](#)) from a UK importer: GRP Solutions Ltd (the Applicant). The Application requested that one of the four commodity codes for mats, 70 19 14 00 90, be removed from the UK measure.
6. On 7 July 2023, the TRA accepted the Application and initiated a scope review under regulation 74(1) of the Regulations to consider whether the goods or description of goods to which the countervailing amount applies should be varied in the case of continuous filament glass fibre products originating in Egypt. The [Notice of Initiation](#) (NOI) was published on 7 July 2023. The TRA on the same day published a [Proposal to Expand](#) the issues to be considered in the review to include all four commodity codes for mats subject to the UK measure, 70 19 14 00 10, 70 19 14 00 90, 70 19 15 00 10, and 70 19 15 00 90.
7. On 9 August 2023, the TRA published an [Amended NOI](#), which included all four commodity codes for mats. The TRA also published a [Request for Information](#) regarding areas of interchangeability between mats and GFR goods produced in the UK.
8. On 16 October 2023, the TRA published a [Statement of Essential Facts](#) (SEF) pursuant to regulation 62 of the Regulations. This included:
 - the TRA's intended recommendation on the scope review;
 - a summary of the facts considered during the scope review; and
 - the basis of the intended recommendation.

A1 About this review

9. This review concerns a request from the Applicant to consider whether the goods or the description of goods to which the countervailing amount is applicable should be varied, in accordance with regulation 74(1) of the Regulations.

10. The Period of Investigation (POI) for this review is 1 April 2022 to 31 March 2023.

11. The Applicant for the review is:

- GRP Solutions Ltd
2500 Blueprint, Portfield Road
Portsmouth
Hampshire
PO3 5FJ

A2 Interested parties and contributors

12. The following interested parties and contributors registered their interest:

- Electric Glass Fiber UK Ltd. (EGF UK), a domestic producer
- British Glass Manufacturers' Confederation (BGMC), a trade association
- Composites UK, a trade association
- The Government of the Arab Republic of Egypt, a foreign government
- Jushi Egypt for Fiberglass Industry S.A.E. (Jushi Egypt), an overseas exporter

13. Relevant non-confidential submissions made to this review are available on the [public file](#), and are listed in [Annex 2](#).

A3 Responses to the SEF

14. Interested parties, contributors or any other person who has supplied information in this review were invited to make submissions in response to the SEF within 21 calendar days of publication of the SEF, i.e., before midnight (UK time) on 6 November 2023.

15. We did not receive any submissions in response to the SEF.

SECTION B: The goods subject to review

16. 'Goods subject to review' are defined in regulation 2 of the Regulations as 'the goods described in the Notice of Initiation of a review under paragraph 1 of Schedule 3'.
17. The goods subject to review in this scope review are defined in the Amended NOI as:

"Mats made of glass fibre filaments excluding mats of glass wool"

18. The goods subject to review are classified under the following commodity codes:

70 19 14 00 10
70 19 14 00 90
70 19 15 00 10
70 19 15 00 90

SECTION C: Requirements to vary the scope

19. As per regulation 74(4) of the Regulations, to evaluate whether the goods or the description of goods to which the countervailing amount is applicable should be maintained or varied, we considered the following factors:
- the relationship between the goods subject to review and the like goods in the domestic market in the United Kingdom (C1);
 - the impact, or potential impact, of any change in scope on the intended effects of the countervailing amount (C2);
 - whether any prejudice could be caused to the interests of any interested party or contributor (C2); and
 - whether the application of rules of customs would resolve the issues raised by the review Applicant (C3).

C1 The relationship between mats and the GFR goods produced in the UK

C1.1 Domestic production

20. We are only aware of one domestic producer of GFR products in the UK, EGF UK. This is based on submissions from interested parties in this review, and considering parties who registered in the transition reviews relating to imports of GFR products originating in the People's Republic of China.
21. We have found no evidence that there is domestic production of mats in the UK. In its registration form, EGF UK stated that it does not have plans to change its UK production to include mats. We have determined that the goods subject to

review are not produced in the UK, and that there are no plans for the domestic production of the goods subject to review in the foreseeable future.

C1.2 Interchangeability of goods

22. On 9 August 2023, we published a [Request for Information](#) (RFI) to seek further submissions regarding any areas of interchangeability between mats and the GFR goods produced in the UK. The deadline for responses was 23 August 2023.
23. The RFI highlighted that, 'In our final recommendation in transition review no. TS0009, we stated that "there is evidence that the UK GFR industry produces single-end rovings and wet-chopped strands". We also "determined that mats are not substitutable for chopped strands or rovings".'
24. We received two applications for an extension of time to submit responses to our RFI from EGF UK and Jushi Egypt. Both EGF UK and Jushi Egypt had resourcing issues and were granted an extension of 14 days until 6 September 2023 as this would not have an impact on the timeline. The [Extension Notice](#) was published on 24 August 2023.
25. In its [response](#), EGF UK stated that it manufactures roving products and confirmed that mats do not directly compete with those products.
26. In its [response](#), Jushi Egypt provided detailed information about the manufacturing process of mats and argued that there are no areas of interchangeability between mats and the GFR goods produced in the UK.
27. Jushi Egypt's response highlighted that the production process of mats requires special machinery and is distinctive from that of the GFR goods produced in the UK. It also highlighted that the GFR goods produced in the UK cannot be used for the production of mats. In addition to its remarks regarding the distinctive physical feature of mats, it argued that there is no overlapping in customer perception and applications between mats and the GFR goods produced in the UK.
28. The TRA has therefore concluded that mats are not able to replace any of the GFR goods produced in the UK.

C2 Potential impacts of the proposed revision

29. In considering the scope of the measure, the TRA has considered factors including the lack of UK production in mats and the evidence indicating that there is no planned UK production for this product. In accordance with regulation 74(4) of the Regulations, the TRA also considered the impact, or potential impact, of

any change in scope on the intended effects of the countervailing amount and whether any prejudice would be caused to interested parties or contributors.

30. In its [response](#) to the RFI, EGF UK stated that ‘the Roving products that we manufacture do not compete directly with mat products but the technical fabrics that are produced by the weaving industry, into which we do supply, does compete with mat products...so there is a possibility of threat to our roving business if mats were to be used in favour of woven technical fabrics’. However, it did not provide sufficient evidence to determine that the removal of mats would cause prejudice to EGF UK.
31. The weaving industry EGF UK referred to is based outside the UK, and the technical fabrics produced are imported back into the UK. No other interested parties have provided submissions that they would be prejudiced if mats were to be removed.
32. Our assessments concluded that, given the lack of planned production in the UK, there would be no prejudice caused to interested parties or contributors and varying the description of the goods to remove mats from the scope of the measure would not undermine the intended effects of the countervailing amount.

C3 Application of rules of customs

33. We determined that the issues raised by the Applicant could not be resolved by the application of rules of customs.
34. We also determined that the amended scope could be applied in practice in terms of customs and tariffs as a similar amendment was implemented as part of the transition reviews relating to imports of certain continuous filament glass fibre products originating in the People’s Republic of China.

C4 Conclusion

35. There is no evidence of current or planned mat production in the UK, and there is no evidence of any areas of interchangeability between mats and the GFR goods produced in the UK. We have also determined that there would be no prejudice caused to interested parties or contributors and the proposed revision would not undermine the intended effects of the countervailing amount.
36. Therefore, we have determined that the description of the goods to which the measure applies should be varied to exclude mats.

SECTION D: Findings and recommendation

D1 Findings

37. The TRA considers that:

- There is no current or planned domestic production of mats;
- There is no interchangeability between mats and the GFR produced in the UK; and
- The proposed revision would not cause any prejudice to the interests of any interested party or contributor, and would not undermine the intended effects of the countervailing amount.

D2 Recommendation

38. In accordance with regulation 75(1)(a) of the Regulations, following the conclusion of a review, the TRA must make a recommendation to the Secretary of State where it is satisfied that the application of a countervailing amount to some or all of the goods subject to review should be varied.

39. Our recommendation to the Secretary of State is that the goods or the description of goods to which the countervailing amount is applicable should be varied under regulation 74(5) of the Regulations.

40. We recommend that the description of the goods to which the countervailing amount applies should be varied to exclude the goods known as “mats made of glass fibre filaments” from the application of the measure, classified under the following commodity codes:

70 19 14 00 10

70 19 14 00 90

70 19 15 00 10

70 19 15 00 90

41. These goods should be removed so that the measure will apply to certain continuous filament glass fibre products as follows:

“Chopped glass fibre strands, of a length of not more than 50mm.

Glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3% (as determined by the ISO Standard 1887).”

42. Commodity codes in respect of which the measures should continue to apply will be as follows:

70 19 11 00 00

70 19 12 00 22

70 19 12 00 25

70 19 12 00 26

70 19 12 00 39

43. [Annex 1](#) specifies the duties to be maintained and applied to the goods described or imported under the above commodity codes under paragraph 42.

Annex 1: EU countervailing duties imposed by [EU Regulation 2020/870](#)

Country	Company	Countervailing duty rate (%)	Taric additional code
Egypt	Jushi Egypt for Fiberglass Industry S.A.E.	13.1%	C540
Egypt	All other companies	13.1%	C999

Annex 2: Interested parties and contributors

Party type	Company	Submission(s)
UK importer	GRP Solutions Ltd (Applicant)	Application
UK producer	Electric Glass Fiber UK, Ltd.	Registration Form Response to the Request for Information
Trade association	British Glass Manufacturers' Confederation	Registration Form Amended Registration Form
Trade association	Composites UK	Registration Form
Foreign government	The Government of the Arab Republic of Egypt	Registration Form
Overseas exporter	Jushi Egypt for Fiberglass Industry S.A.E.	Amended Registration Form Response to the Request for Information