



Final Recommendation

Case CE0042

**UK trade remedies measure exemption review on certain
bicycle parts originating from the People's Republic of China**



Contents

A	Introduction.....	3
B	About this review	3
B1	Data considered during the review	4
C	The goods subject to review	4
D	Exemption review requirements	4
D1	Extension of EU measure following an EU circumvention review	5
D2	Applicant's relationship to other companies subject to the measure	5
D3	Assessment of circumvention.....	5
E	Findings and final recommendation.....	6
E1	Findings	6
E2	Final recommendation.....	6



A Introduction

1. Under Regulation 96E of The Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (the Regulations), the Trade Remedies Authority (TRA) may conduct a UK trade remedies measure exemption review (exemption review). The aim of the exemption review is to consider whether goods imported by a review applicant should be exempted from the application of a UK trade remedies measure.
2. The goods subject to review in this case are certain bicycle parts exported from the People's Republic of China (the PRC).
3. The EU imposed anti-dumping duties on bicycles exported from the PRC, and these duties were extended via subsequent circumvention reviews to imports of bicycles consigned from Indonesia, Malaysia, Sri Lanka, Tunisia, Cambodia, Pakistan and the Philippines, under EU Council Regulation (EU) [No 501/2013](#) and [No 2015/776](#), and to imports of certain bicycle parts originating from the PRC under [EU Council Regulation \(EC\) No 71/97](#).
4. On 31 December 2020, [Taxation Notice 2020/34](#) gave effect to the above EU measure as a UK trade remedies measure.

B About this review

5. Under [Taxation Notice 2020/34](#), Planet X Ltd was exempt from the measure. In June 2023, Planet X Ltd entered administration, and its assets and operations were bought out of administration by Winlong Garments Ltd (the Applicant).
6. On 20 September 2023, the TRA initiated an exemption review under regulation 96E of the Regulations to consider whether the Applicant should be exempted from the anti-dumping amount applied to the goods subject to review. On 2 November 2023, the Applicant was granted a [temporary suspension](#) from the measure outlined in [Taxation Notice 2020/34](#), pursuant to regulation 96F(3) of the Regulations. This took effect on 3 November 2023..
7. The period of investigation (POI) for this review is 1 September 2022 to 31 August 2023.
8. The Applicant for the review is:

Winlong Garments Ltd, Units 38-41, Aldwarke Wharfe Business Park,
Waddington Way, Rotherham, South Yorkshire, S65 3SH.
9. No other parties registered an interest in the review.



B1 Data considered during the review

10. The TRA considered the Applicant's original [application](#), its [response](#) to our request for additional information, and the supporting evidence it presented during the verification process. We also considered information from Companies House records and other open sources, such as the Applicant's website, the company websites of its suppliers, and news articles.

C The goods subject to review

11. The goods subject to review are certain bicycle parts, in quantities of 300 or more units per month (per type), including brake levers, coaster braking hubs, complete wheels with or without tubes, tyres and sprockets, crank-gear, derailleur gears, frames (painted, anodised, polished or lacquered), free-wheel sprocket-wheels, front forks (painted, anodised, polished or lacquered), handlebars, and hub brakes.
12. These goods are subject to the following tariff classifications:

8714 91 10 31	8714 94 90 19
8714 91 10 35	8714 96 30 90
8714 91 10 39	8714 99 10 89
8714 91 30 35	8714 99 10 99
8714 91 30 39	8714 99 50 91
8714 93 00 19	8714 99 50 99
8714 94 20 99	8714 99 90 19

D Exemption review requirements

13. The TRA considered whether the following criteria for exempting the Applicant's goods from the application of the measure were met, as set out in regulation 96G of the Regulations:
- the UK trade remedies measure applies an EU trade remedies measure that was extended following an EU circumvention review;
 - the Applicant is not related to an overseas exporter which is subject to the UK trade remedies measure; and
 - the Applicant is not engaged in circumvention of the UK trade remedies measure.
14. The TRA has determined that the above criteria are met for the reasons set out in the subsections below.



D1 Extension of EU measure following an EU circumvention review

15. On 10 January 1997, the EU measure on bicycles was extended following a circumvention review to include certain bicycle parts via [EU Council Regulation \(EC\) No 71/97](#).
16. On 31 December 2020, the Secretary of State for International Trade (now the Secretary of State for Business and Trade) made provision by public notice giving effect to the EU measure via [Taxation Notice 2020/34](#), in accordance with regulation 96A of the Regulations.
17. The TRA has determined that the UK trade remedies measure applies an EU trade remedies measure that was extended following an EU circumvention review.

D2 Applicant's relationship to other companies subject to the measure

18. Our review of all available sources produced no evidence of a relationship to overseas exporters in the PRC that are subject to the measure. All information gathered and provided was complete and consistent. Further detail on the analysis undertaken can be found in the published verification report, [here](#).
19. The TRA is satisfied that the Applicant is not related to an overseas exporter which is subject to the UK trade remedies measure.

D3 Assessment of circumvention

20. The TRA assessed whether the Applicant is engaged in circumvention of the UK trade remedies measure in accordance with regulation 73 of the Regulations. For the purposes of regulation 73, circumvention exists where there is a change in the pattern of trade resulting from a practice that has insufficient economic justification other than for the avoidance of the anti-dumping amount. An assembly operation within the UK may be circumventing where 60% or more of the total value of the parts of the assembled goods come from the relevant exporting country. However, in no case shall circumvention be taking place where the value added to the parts brought in, during the assembly or completion operation, is greater than 25% of the manufacturing cost.
21. Our review of the Applicant's assembly operation considered whether 60% or more of the total value of the parts of the assembled goods come from the PRC.
22. We reviewed the Applicant's transaction-by-transaction purchasing data for bicycle parts covering the POI. The assessment calculated the proportion of purchases by total value between "Category 2" bicycle parts coming from the PRC and all bicycle parts of other origin. We conducted an on-site verification visit to review the completeness, relevancy and accuracy of the financial data



provided. Further detail on the verification activities undertaken can be found in the published verification report, [here](#).

23. From our verification and assessment of the Applicant's information and financial data, we concluded that the Applicant is importing up to 51% of its total value of parts from the PRC.
24. The TRA is satisfied that the Applicant is not engaged in circumvention of the UK trade remedies measure, as less than 60% of the total value of the parts of the assembled goods come from the PRC.

E Findings and final recommendation

E1 Findings

25. The TRA has determined that the UK measure applies an EU trade remedies measure that was extended following an EU circumvention review. We are satisfied that the Applicant is not related to an overseas exporter which is subject to the measure, and that the Applicant is not engaged in circumvention of the UK trade remedies measure.

E2 Final recommendation

26. In accordance with regulation 96G(1) of the Regulations, the TRA therefore recommends to the Secretary of State for Business and Trade that the Applicant's goods are exempted from the application of the UK trade remedies measure.
27. This recommendation relates to a UK trade remedies measure applied by [Taxation Notice 2020/34](#) on goods imported by the Applicant, Winlong Garments Ltd.
28. The goods subject to review are certain bicycle parts, in quantities of 300 or more units per month (per type), including brake levers, coaster braking hubs, complete wheels with or without tubes, tyres and sprockets, crank-gear, derailleur gears, frames (painted, anodised, polished or lacquered), free-wheel sprocket-wheels, front forks (painted, anodised, polished or lacquered), handlebars, and hub brakes.
29. These goods are subject to tariff classifications:

8714 91 10 31	8714 94 90 19
8714 91 10 35	8714 96 30 90
8714 91 10 39	8714 99 10 89
8714 91 30 35	8714 99 10 99
8714 91 30 39	8714 99 50 91
8714 93 00 19	8714 99 50 99
8714 94 20 99	8714 99 90 19



30. The reason for the recommendation is that the UK measure applies an EU trade remedies measure that was extended following an EU circumvention review; and that the TRA is satisfied the Applicant is not related to an overseas exporter which is subject to the measure, and is not engaged in circumvention of the UK trade remedies measure.