Final Affirmative Determination

INVESTIGATION No. AD0062

Dumping investigation into Tin Mill Products imported into the United Kingdom from the People's Republic of China (PRC)

12 March 2026

Contents

Section A: Introduction

A1 Investigation

1. This investigation covers the alleged dumping of Tin Mill Products imported into the United Kingdom (UK) from the People's Republic of China (PRC). A full description of the goods concerned can be found in section E Goods concerned and like goods.

2. This section briefly summarises the legal framework for this final determination and the Trade Remedies Authority (TRA)'s main findings. The background to and details of the investigation are explained fully in the subsequent sections.

3. The purpose of this document is to set out the TRA's final determination and recommendations to the Secretary of State for Business and Trade (Secretary of State) and detail the facts and analyses on which the TRA has based its recommendations. It should be read in conjunction with other public documents available for this case, which are available on the public file.

4. This document follows the publication of the TRA's Statement of Essential Facts (SEF) on 26 September 2025.

5. For further information about our investigations, please see our public guidance.

A2 Legal framework

6. This final determination is made pursuant to paragraphs 11(5) and (6)(a) of Schedule 4 to the Taxation (Cross-Border Trade) Act 2018 (the Act).

A3 Period of investigation and injury period

7. The period of investigation (POI) is 1 April 2023 to 31 March 2024.

8. To assess injury, the TRA has chosen the period from 1 April 2020 to 31 March 2024 as the injury period (IP).

Section B: Summary and findings

B1 Dumping

9. In accordance with paragraphs 1(1) and 8(1)(a) of Schedule 4 to the Act, the TRA has examined whether dumping of the goods concerned (for definition see section E1 Goods Concerned) has occurred.

10. The TRA has concluded that the goods concerned are being dumped into the UK from the PRC (see section G Dumping).

B2 Injury

11. In accordance with paragraphs 5 and 8(1)(b) of Schedule 4 to the Act, the TRA has examined whether the dumping of the goods concerned has caused or is causing injury to a UK industry in the like goods.

12. The TRA has concluded that the UK industry has suffered injury and that the dumped goods from the PRC have caused injury to the UK industry (see section H Injury).

B3 Economic interest test (EIT)

13. The TRA has considered the evidence before it and the following factors set out under paragraph 25 of Schedule 4 to the Act:
    - the injury to UK industry in the like goods caused by dumping of the goods concerned and the benefits to that UK industry in removing that injury;
    - the economic significance of affected industries and consumers in the UK;
    - the likely impact of implementing an anti-dumping measure on affected industries and consumers in the UK;
    - the likely impact of implementing an anti-dumping measure on particular geographic areas, or particular groups, in the UK;
    - the likely consequences of implementing an anti-dumping measure for the competitive environment, and for the structure of markets for like goods, in the UK; and
    - such other matters as the TRA considered relevant.

14. The TRA has concluded that the application of the anti-dumping measure it recommends to the Secretary of State meets the EIT (see section J Economic Interest Test).

B4 Final determination and recommended measure

15. In accordance with paragraphs 11(5) and 11(6)(a) of Schedule 4 to the Act, the TRA has made a final affirmative determination in respect of the goods concerned from the PRC that are currently classified under section E1 Goods Concerned.

16. The TRA has determined that the goods concerned have been or are being dumped in the UK and that the dumping of the goods concerned has caused or is causing

injury to UK Industry in those goods. The TRA has determined that the application of the anti-dumping measure it recommends to the Secretary of State meets the EIT.

17. In accordance with paragraphs 17(3), 18(2)(a)(i) and 18(5) of Schedule 4 to the Act, the TRA recommends that the Secretary of State impose an ad-valorem duty on the goods concerned, which are the subject of this final affirmative determination, for a period of five years at the following rates:

Table B1: Recommended ad-valorem duty rates

Overseas exporter/producer	**Duty amount (%)**
Shougang Group	27.85%
All other overseas exporters (residual amount)	49.98%

Section C: Background

C1 Initiation

18. On 22 July 2024, the TRA received an application[1] lodged by TATA Steel UK (TSUK) ("the Applicant") alleging that Tin Mill Products imported into the UK from the PRC have been or are being dumped and that the dumping has caused or is causing injury to the UK industry in the like goods.

19. The TRA was satisfied that the application contained sufficient evidence of dumping and resulting injury to justify the initiation of the investigation, and that the requirements referred to in paragraph 9 of Schedule 4 to the Act and regulation 50, 51 and 52 of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (S.I. 2019/450) (as amended) (the Regulations)) had been met.

20. The dumping investigation was initiated by the TRA on 25 September 2024, and the Notice of Initiation was published on that date. An amended Notice of Initiation was published on 26 September 2025 to correct a clerical error in the description of the goods concerned, and to update commodity codes to maintain dynamic alignment with the European Union and conform to the goods description. This republication has no practical impact on the investigation.

21. The Secretary of State, the foreign government of the PRC and some other known interested parties and contributors were notified accordingly and invited to register on the TRS to participate in the investigation. On 14 May 2025, the TRA also invited additional known interested parties and contributors to register to the case.

C2 Participation in the investigation

22. Annex A Interested parties and contributors contains a summary of information received from all interested parties and contributors.

C2.1 UK producer

23. The Applicant claimed to be the only producer of the like goods in the UK. No other UK producer of the like goods was identified by the TRA, or registered interest to the case. As the Applicant has a collective output constituting at least 25% of total production of the like goods in the UK, the requirement under paragraph 9(1)(a)(i) of Schedule 4 to the Act and regulation 52(2) of the Regulations has been met.

C2.2 Exporters/producers from the PRC

24. A full list of participating PRC exporters and PRC producers can be found in Annex A. Due to the limited responses received during the registration period, the TRA did not limit its examination of PRC exporters to a sample[2].

[1] TRA Investigations - Trade Remedies Service - GOV.UK
[2] TRA Investigations - Trade Remedies Service - GOV.UK

25. The TRA received a registration of interest and a full questionnaire response from the following PRC producing exporter:
    - Shougang Jingtang United Iron & Steel Co., Ltd (Shougang Jingtang)

26. Shougang Jingtang submitted additional questionnaire responses from companies in its group that were involved in the process of making or selling the like goods. These additional questionnaires were completed by:
    - Shou Gang Casey Steel Co., Ltd. (Shougang Casey)
    - Shougang Holding Trade (Hong Kong) Limited (Shougang Hong Kong)
    - China Shougang International Trade & Engineering Corporation (Shougang International)

27. In this final determination, the TRA has referred to the collective group of Shougang Jingtang, Shou Gang Casey, Shougang Hong Kong, and Shougang International as 'the Shougang Group'. It was found that within the Shougang Group, only Shougang Jingtang makes the like goods which were exported to the UK during the POI.

28. The TRA has therefore recommended that a rate be applied to the cooperating producing exporter, the Shougang Group, and a residual rate be applied to all other PRC overseas exporters of the like goods, as table B1 describes.

C2.3 Non-cooperative exporters/producers from the PRC

29. The deadline for completing a full questionnaire passed on 6 December 2024. The following parties who completed a pre-sampling questionnaire chose not to provide a full questionnaire.
    - Handan Steel Group Hengshui Cold Rolling Steel Co., Ltd.
    - Hesteel Group Hengshui Strip Processing Co., Ltd.
    - JiangSu Youfu Sheet Technology Co, Ltd.
    - GDH Zhongyue (Zhongshan) Tinplate Industry Co., Ltd.
    - GDH Zhongyue (Qinhuangdao) Tinplate Industrial Co., Ltd.
    - Baoshan Iron and Steel Co., Ltd.

30. The TRA, pursuant to regulation 49 of the Regulations, therefore determined the above parties to be non-cooperative with regards to the investigation.

C2.4 Importers

31. During the registration period, no importers of the goods concerned registered interest in the investigation.

C2.5 Other interested parties/contributors

32. Other interested parties/contributors registered to the investigation included the Ministry of Commerce, the People's Republic of China (MOFCOM).

C3 Verification of data

33. The TRA undertook verification activities in relation to the information provided by the cooperating interested parties, during which the completeness, relevance, and

accuracy of that information was assessed. The TRA has considered the information supplied by cooperative interested parties and contributors, provided that this information:

- complied with the applicable statutory requirements and the TRA's public guidance;
- was verifiable;
- could be used without undue difficulty; and
- was supplied within an applicable time limit and in a form that the TRA requested.

34. The TRA conducted onsite verification visits with the UK producer, TSUK, and the cooperating overseas PRC producer/exporter, the Shougang Group.

35. Verification reports were produced for each of the parties subject to individual verification activities and non-confidential versions of these reports are available on the public file.

36. Secondary source information was used in accordance with the Regulations. This secondary information was treated with special circumspection and, where practicable, verified using independent sources. This included, but was not limited to, official import statistics and data pertaining to relevant markets.

C4 Registration of imports

37. On 18 December 2024, the Applicant submitted a request to the TRA asking for the registration of imports of Tin Mill Products from the PRC.

38. The TRA asked the Secretary of State to publish a notice of the goods subject to investigation, instructing HMRC to register imports of the goods concerned.

39. Pursuant to paragraph 29 of Schedule 4 to the Act, the Secretary of State published Trade Remedies notice 2025/7 on 27 March 2025, effective from 28 March 2025. This instructed HMRC to register the importation of Tin Mill Products from the PRC.

Section D: The publication of the SEF

D1. Overview

40. On 26 September 2025, the TRA published the SEF in accordance with regulation 62(1)(a) of the Regulations. The SEF set out:
    - The final determination that the TRA intended to make;
    - A summary of the facts considered during the investigation; and
    - Details of the analysis forming the basis of the intended final determination.

41. Following publication of the SEF, the TRA invited interested parties, contributors and any other parties who supplied information to the TRA to make submissions in response. The deadline for the submission of comments was 23:59 hours on 26 October 2025.

42. This deadline was extended to 23:59 hours on 30 October 2025 for the Shougang Group as notified on the public file following a deadline extension request made on 14 October 2025.[3]

43. At the request of the Shougang Group, the TRA provided a breakdown of the dumping calculation that the TRA had performed using the confidential information that it had supplied, in accordance with regulation 62(1)(b) of the Regulations.

44. The TRA received submissions with comments from:
    - The Shougang Group;
    - MOFCOM

45. These submissions have been published on the public file and are summarised and addressed in this Final Determination.

D2. SEF comments

D2.1. Ministry of Commerce, PRC

46. MOFCOM, on behalf of the Government of China (GoC), submitted comments on the SEF on 24 October 2025 and the submission was published to the public file on 29 October 2025.[4] The submission raised issues relating to the determination that a Particular Market Situation (PMS) exists within the PRC Tin Mill Product industry and the calculation of constructed normal value.

D2.1.1 - Existence of PMS within PRC Tin Mill Product industry

47. The GoC reiterated its position that a PMS does not exist in the Tin Mill Product industry in the PRC. It instead stated that the PRC has an established market economy where market forces play a decisive role in resource allocation, and that all

[3] Notice of extension – SEF comments, accessed 13/11/2025
[4] SEF comment submission - MOFCOM, accessed 20/11/2025

kinds of enterprises are equal entities of market competition. It was also stated that all types of Tin Mill producers operate independently and the GoC has not intervened in the production, operation, or pricing. The GoC also stated that the five-year plan is simply a framework that is non-binding but not self-executing.

48. Within its SEF response, MOFCOM has not explicitly requested any changes, instead reiterating its position on the points cited above.

49. The TRA confirms its determination that a PMS exists in accordance with UK regulations, in particular regulation 7(4) of the Regulations.

D2.1.2 - Compliance with WTO Anti-Dumping Obligations

50. The GoC have alleged that the TRA failed to comply with its obligations "*under article 2.2 and article 2.2.1.1 of the WTO Anti-Dumping Agreement ("the ADA") to apply regulation 8(1)(a) of the Regulation*". It states that the TRA used non-Chinese surrogate costs (the Brazilian benchmark costs) to determine raw material and energy costs without using the cost of production in the country of origin within the meaning of article 2.2.1.1 of the ADA. It also states that the TRA rejected the exporters' costs "*because the prices of certain raw materials and energy were artificially low relative to the third country benchmarks*".

51. The GoC stated that the TRA failed to reasonably address why the Brazilian benchmark costs represent the costs of production in the PRC within the meaning of article 2.2 of the ADA. It cites cold-rolled coil and hot-rolled coil benchmarks from Platts connect that it alleges were used to represent cost of production in the PRC without sufficient justification.

52. The GoC requested that the TRA use the reported cost data provided to them by the Shougang Group to calculate constructed normal value.

53. It also requested an explanation on why Brazilian benchmark costs are considered representative of Chinese costs.

54. The TRA reiterates that the reported cost data of the Shougang Group were used as the basis for the calculation of costs, in accordance with 2.2 and 2.2.1.1 of the Anti-Dumping Agreement. Brazilian benchmark costs were used only to adjust the reported cost data of the Shougang Group, in accordance with regulation 13 of the Regulations, such that adjusted costs remained on the basis of the financial records of the exporter.

55. The TRA would like to reiterate that Brazil was selected as a suitable benchmark country after a holistic assessment of economic factors, as described in paragraph 224 of the SEF. We also clarify that we did not use hot-rolled coil or cold-rolled coil benchmarks in this investigation, rather we used benchmarks of raw materials that we verified were used by the Shougang Group in the production of Tin Mill Products.

56. The TRA notes that no interested parties commented on the proposed use of Brazil as a benchmark during the 14 day consultation period,[5] as highlighted in paragraph 225 and 226 of the SEF.

D2.1.3 Adjustment to Finance Costs

57. The GoC alleged that the TRA failed to comply with its obligations under Article 2.2 and Article 2.2.2 of the ADA. It states that the TRA acted inconsistently with the ADA by adjusting Shougang Group's finance costs using Brazilian benchmark data instead of relying on finance cost data provided by Shougang Jingtang.

58. The GoC states that the TRA disregarded the actual exporter cost data in the ordinary course of trade with a higher out of country benchmark with regard to finance costs, and this approach is unreasonable within the meaning of article 2.2.2(iii) of the ADA.

59. The GoC requested that the TRA use the actual administrative, selling and general (AS&G) costs of the exporter under investigation in its dumping determination. It also requested that the TRA reconsider its conclusion on the existence of PMS in the Chinese Tin Mill market and stop using out of country data without appropriate adjustments to reflect the cost in the PRC.

60. The TRA reaffirms that Shougang Group's reported AS&G cost data formed the basis for calculating finance costs. As outlined in section G2.2.2, following the determination that several PCNs had zero sales in the ordinary course of trade, the TRA used the per unit AS&G cost of profitable sales to determine the AS&G cost of the like goods sold in the domestic market on a weighted average basis during the POI, in line with regulation 12(2) of the Regulations. The per unit AS&G cost figures for finance was not disregarded, and instead this cost was used as the basis of constructed normal value in accordance with 2.2.2 of the ADA.

61. Also, the TRA reiterates that the PMS determination was made under Regulation 7(4)(c) of the Regulations. Details of the PMS finding for finance are in section G2.1.2.3. Additionally, the Brazilian benchmarks were subjected to several appropriate adjustments to ensure that they reasonably reflect costs in the PRC, as described in detail in section G2.3 (PMS Adjustments).

D2.2 The Shougang Group

62. Shougang Jingtang United Iron & Steel Co., Ltd on behalf of the Shougang Group submitted comment on the SEF on 30 October 2025 and the submission was published to the public file on 31 October 2025.[6]

63. The Shougang Group comments are primarily split into two sections, which challenged:
    a) The TRA's constructed normal value method; and

[5] Note to file - Proposed appropriate representative third country, accessed 24/11/2025
[6] SEF comment submission - Shougang Group, accessed 20/11/2025

b) Adjustments to construct normal values

D2.2.1 – Challenge to the decision to Construct Normal Value

64. The Shougang Group made a series of comments identifying perceived issues with the TRA's normal value calculations, which it included in the section titled "*The TRA's Normal Value Calculation Methods violate the Articles 2.2, 2.2.1.1 and 2.2.2 of the ADA of WTO*". These comments concerned alleged breaches of Articles 2.2, 2.2.1.1, and 2.2.2 of the ADA. These comments were split across four points.

D2.2.1.1 – Failure to give adequate explanation of how PMS prevents proper comparison

65. The Shougang Group alleged that the TRA did not demonstrate how PMS elements impacted export prices, and that this is a necessary element of establishing that PMS prevents a proper comparison.

66. It has stated that the TRA has only claimed that the PMS causes a difference in prevailing conditions of competition between the UK market and the PRC domestic market for Tin Mill Products, and that due to other factors the difference in market cannot be solely attributed to the domestic market situation of China. It also states that the TRA has failed to demonstrate how market differences prevent the comparability between the domestic and export prices of the Shougang Group.

67. The Shougang Group then requested that the TRA recalculate using the domestic prices as the basis for its calculations on the basis that the determination that PMS prevents a proper comparison is inconsistent with article 2.2 of the ADA.

68. The TRA maintains that the PMS that was found in respect to the PRC Tin Mill Product market does prevent a proper comparison on the basis that export prices are affected by the international market price for Tin Mill Products, whereas the domestic PRC market is not due to very weak import penetration. The TRA's justification was primarily given in section F2.1.3 'Proper Comparison' of the SEF, and this decision is expanded upon in further detail in this final determination in section G2.1.3.

D2.2.1.2 – Use of Brazilian Benchmarks to disregard reported production costs

69. The Shougang Group has alleged the TRA adjusted its cost of production using Brazilian benchmarks such that it violated the ADA. It alleges that the TRA determined to not use certain costs merely because the cost of raw materials and energy were lower than Brazilian benchmark costs, thereby violating article 2.2 and 2.2.1.1 of the ADA. It has requested that calculated costs of production used in the dumping calculation be determined based on the records kept by the Shougang Group.

70. The TRA responds to this comment by clarifying that it always calculated the cost of production of the like goods in the PRC on the basis of records kept by the Shougang Group, in accordance with regulation 11(2) of the Regulations. Adjustments to costs of production were then determined in accordance with regulation 11(6) and 13 of the Regulations, and these adjustments were applied to the actual costs incurred by the

Shougang Group during the POI. In response to this comment, we have further clarified this approach in section G2.2.1.

D2.2.1.3 – Use of benchmarks to disregard reported finance costs

71. The Shougang Group has stated that the TRA disregarded the actual finance costs of the Shougang Group in violation of article 2.2.2 of the ADA. It also stated that the method of determining AS&G costs is not a reasonable method within the meaning of article 2.2.2(iii) of the ADA. It has requested that calculated AS&G cost used in the dumping calculation be determined based on the actual records kept by the Shougang group.

72. The TRA would like to clarify that it did not disregard the actual costs of finance incurred by the Shougang Group during the POI. The TRA used the actual AS&G costs incurred by the Shougang Group within the ordinary course of trade as the basis for all AS&G costs used in the dumping calculation in accordance with regulation 12(2) of the Regulations. Adjustments to the cost of finance were then determined in accordance with regulation 12(4) and 13 of the Regulations, and these adjustments were applied to the actual costs incurred by the Shougang Group during the POI. In response to this comment, we have further clarified this approach in section G2.2.2.

D2.2.1.4 – Disregarding of low-profit sales when determining reasonable amount of profit

73. The Shougang Group has stated that the TRA's decision to disregard low-profit sales when determining the reasonable amount of profit to use for the constructed normal value violates article 2.2 and 2.2.2 of the ADA. It submitted that the TRA should use the weighted-average profits of the like goods in the ordinary course of trade to establish a reasonable amount of profit that is consistent with the ADA.

74. The TRA maintains that our approach to determine a reasonable amount of profit is consistent with regulation 12 of the Regulations and article 2.2 of the ADA, as it is based on actual data pertaining to the production and sales of the like goods in the ordinary course of trade of the like goods produced by the Shougang Group. We further clarify that the method used to determine a reasonable level of profit using this data considered the historic profit of the like goods and the Shougang Group during the injury period, which was significantly higher than the profit level determined using the method proposed by the Shougang Group.

75. We have clarified our approach to calculating a reasonable level of profit in section G2.2.3.

D2.2.1.5 – Concluding points

76. The Shougang Group concluded its points on the constructed normal value by requesting that the domestic price of the like goods sold in sufficient quantities in the ordinary course of trade is used to calculate normal value, that actual cost data should be used to establish costs of production and reasonable amounts of AS&G cost, and

that reasonable amounts of profit should be determined as the weighted average profit of the like goods in the ordinary course of trade.

77. For the reasons explained in this section, the TRA maintains that it has conducted this investigation in accordance with UK regulations and the ADA. The TRA will not be altering its calculations or changing any determinations as a result of these comments. Where relevant, we have added clarifications to the text of this document in repose to these comments.

D2.2.2 Disputes of the Adjustments made

78. The Shougang Group made several comments regarding the calculation of PMS adjustments that the TRA has made which are detailed in section G2.3.

D2.2.2.1 – Commodity code of the tin used by Shougang Jingtang

79. The Shougang Group noted that the tin it used in the production of Tin Mill Products is captured by a different commodity code than the code used by the TRA to benchmark its tin input. It submits that the TRA amend its benchmark selection to use the commodity code of the tin product it had purchased. It evidenced this using information that we checked during the verification process. It then provided a calculation of a benchmark adjustment for tin it reasoned was suitable.

80. In light of the Shougang Group's clarification using verified information, the TRA is satisfied that the Shougang Group's suggested commodity code is more suitable to establish an accurate third-country benchmark. It has updated its benchmark selection and dumping calculation accordingly, but maintains that the method used to calculate the adjustment is suitable and in accordance with the Regulations. This resulted in a decrease in the overall dumping margin – as reported in section G5 Dumping margin – relative to the margin reported in the SEF.

D2.2.2.2 – Self-produced energy and steam coal

81. The Shougang Group alleged that the TRA used the incorrect commodity code for steam coal as the basis for PMS adjustments to steam coal and self-generated electricity. It has also stated that as electricity costs are charged by the state grid and booked in manufacturing overhead, this makes it unsuitable to adjust it based on the benchmarked cost of steam coal. It has requested that the calculation is amended to reflect the recommended commodity code and not apply this adjustment to the self-generated electricity fees, and has provided a benchmark calculation it considerers reasonable.

82. The TRA clarifies that the commodity code in question has not been used to determine a benchmark for energy costs. The steam coal has been classified as part of the cost of self-generated electricity, and we have calculated a PMS adjustment for self-generated electricity based on the comparative cost of steam coal and self-generated electricity charges to the benchmarked cost of the total cost of self-generated kilowatt hours as determined by the industrial cost of electricity within the benchmark country as outlined in section G2.3.2 (PMS adjustments – energy).

D2.2.2.3 – PCI coal

83. The Shougang Group have stated the PCI coal includes an additional commodity code to the commodity codes the TRA used to determine a benchmark. It substantiated this statement in annex 3. This annex outlines the specific types of PCI coal used by Shougang Jingtang, and this evidence was previously checked as part of the verification process. As a result, it proposed expanding the benchmark to include an additional commodity code. The Shougang Group also provided a calculation of the PMS adjustment for PCI coal that it considered suitable in its Annex 5, supplied alongside its non-confidential submission on the public file.

84. The TRA has agreed that the benchmark for PCI coal should be expanded to include the proposed additional commodity code. The TRA maintains that the method used to determine PCI coal's adjustment and the data source that we used is reasonable and the approach consistent with the Regulations. The PMS adjustment ratio for PCI coal has been updated accordingly, and this has resulted in a decrease in the overall dumping margin relative to the margin reported in the SEF.

D2.2.2.4 – Coke

85. The Shougang Group have provided a calculation of the PMS adjustment of coke that it considered suitable in its Annex 6. It has requested that the TRA review its PMS adjustment for coke accordingly.

86. The TRA reiterates that the method used to determine this adjustment and the data source of GTT remain reliable and consistent with UK Regulations.

D2.2.2.5 Profit margin used to determine constructed normal value

87. The Shougang Group has stated that the TRA's decision to disregard low-profit sales when determining the reasonable amount of profit to use for the constructed normal value violates article 2.2 and 2.2.2 of the ADA.

88. It has highlighted that leading producers of the like goods in the benchmark country of Brazil have been operating at a loss in 2023 and 2024, and these producers cite high raw material and financial costs.

89. It requested that the TRA should use the weighted-average profits of the like goods in the ordinary course of trade to establish a reasonable amount of profit that is consistent with the ADA.

90. The TRA maintains that its approach to determine a reasonable amount of profit is consistent with regulation 12 of the Regulations and article 2.2 of the ADA, as it is based on actual data pertaining to the production and sales of the like goods in the ordinary course of trade of the like goods produced by the Shougang Group. Within this approach, we consider the historic profit earned by producers of the like good in the PRC to be more relevant to determine reasonable levels of profit than producers of the like goods in the benchmark country.

91. We have clarified our approach to calculating a reasonable level of profit in section G2.2.3.

Section E: Goods concerned and the like goods

E1 Goods concerned

92. The goods concerned are defined in regulation 2 of the Regulations as "*the goods described in the relevant Notice of Initiation of a dumping investigation under regulation 65(1) [of the Regulations]*".

93. The goods concerned in this investigation are Tin Mill Products from the PRC and exported to the UK, described in the Notice of Initiation as:

> *Flat-rolled products, of iron or non-alloy steel, coated or plated with tin, whether or not coated with a plastic material and/or varnished ("tinplate") and flat-rolled products, of iron or non-alloy steel coated with chromium oxides or with chromium and chromium oxides (also called electrolytic chromium coated steel or "ECCS").*

94. The goods concerned are subject to the following commodity codes:

7210 11 00 10	7210 70 80 23	7212 10 10 00	7212 40 80 30
7210 11 00 90	7210 70 80 25	7212 10 90 11	7212 40 80 33
7210 12 20 10	7210 70 80 92	7212 10 90 19	7212 40 80 35
7210 12 20 90	7210 70 80 93	7212 10 90 90	7212 40 80 80
7210 12 80 10	7210 70 80 95	7212 40 20 10	7212 40 80 81
7210 12 80 90	7210 90 30 00	7212 40 20 19	7212 40 80 85
7210 50 00 10	7210 90 40 10	7212 40 20 91	7212 40 80 86
7210 50 00 90	7210 90 40 90	7212 40 20 93	7212 40 80 87
7210 70 10 15	7210 90 80 20	7212 40 20 99	7212 50 20 11
7210 70 10 19	7210 90 80 29	7212 40 80 12	7212 50 20 19
7210 70 10 91	7210 90 80 91	7212 40 80 14	7212 50 20 90
7210 70 80 20	7210 90 80 99	7212 40 80 15	

95. It should be noted that some of the commodity codes provided above, came into force on 29 May 2025 – following the POI, which ended on 31 March 2024. Therefore, for the purposes of import analysis, the case team drew upon the 10-digit commodity codes that preceded the 10-digit update cited above. The case team have worked with HMRC to ensure that the measure accurately reflects the coverage of the goods concerned, and are satisfied that these 10-digit codes accurately represent the goods specified in the current 10-digit codes.

96. The goods concerned are Tin Mill Products produced in the PRC for export to the UK. Similar goods sold on the PRC domestic market, goods imported into the UK from third countries and goods produced by the UK industry, are described as like goods if they meet the definition in paragraph 93 above.

E2 Like goods

97. In accordance with paragraph 7 of Schedule 4 to the Act, the TRA refers to 'like goods' as those which are like the goods concerned in all respects or have characteristics which closely resemble them and are produced by the UK Industry.

98. The like goods are also produced by the cooperating PRC producer, Shougang Group, for sale on the PRC domestic market. These have the same general characteristics as the goods concerned.

E3 Comparison of goods concerned and the like goods

99. In assessing whether the goods produced by the UK industry are like the goods concerned in all respects or with characteristics closely resembling them, the TRA has considered:
    a) physical likeness, including physical characteristics;
    b) commercial likeness, including competition and distribution channels;
    c) functional likeness, including end-use or interchangeability of the goods;
    d) similarities in production, including method of production and inputs; and
    e) other relevant characteristics.

100. The TRA has found that:
    - Like goods are produced by UK industry. These have the same general physical, commercial and functional likenesses as the goods concerned and share similar production processes.
    - Like goods are also produced by the cooperating PRC producer, Shougang Group, for sale on the PRC domestic market. These have the same general characteristics as the goods concerned.

101. The TRA has determined that the goods produced by the UK industry defined in section E2 are like the goods concerned in all respects or have characteristics closely resembling them are therefore like goods for the purposes of paragraph 7 of Schedule 4 to the Act.

E4 Product control numbers

102. The TRA uses product control numbers (PCNs) to define and group different types of products that fall under the goods description above, and to match exported goods with like goods.

103. PCNs are created on the basis of the main physical characteristics differentiating the types of products, providing that those characteristics have an impact on price.

104. The PCN structure used in this case can be seen in the table below:

Table E1: PCN Structure		
Characteristic	**Description**	**PCN Value**
Coating type	Tinplate	T
	Chromium	E
	Film	F
	Non-prime products	N
Grade	Drawn and Wall Ironed	D
	Non-Drawn and Wall Ironed	N
Gauge (Thickness)	<0.180 mm	1
	≥0.180 to <0.219 mm	2
	≥0.219 to <0.299 mm	3
	≥0.299	4
Coating Weight	<4 g/m^2	1
	≥4 to <8 g/m^2	2
	≥8 to <12 g/m^2	3
	≥12 to <16 g/m^2	4
	≥16 g/m^2	5
	Chromium	6
Width	<599 mm	A
	≥599 to <899 mm	B
	≥899 to <1099 mm	C
	≥1099 mm	D
Cold Reduction	Single	S
	Double Reduced	R
Form	Coil	C
	Cut-to-length sheet	L

105. The PCN structure was provided to interested parties and contributors for comment in the pre-sampling questionnaires following initiation of the investigation. One interested party provided a comment on the PCN structure, asking for the structure to be simplified. However, all other interested parties agreed with the PCN structure above, and therefore this structure was maintained.

E5 PCN analysis

106. The TRA's calculations of dumping and injury margins are based on matching PCNs, which ensures that it compares cost and price of comparable goods.

107. For dumping margin calculations, the TRA compared the PCNs produced and sold by the Shougang Group in its domestic market with the PCNs produced and exported to the UK.

108. For injury margin calculations, the TRA matched the PCNs produced and exported by the Shougang Group into the UK with the PCNs produced by the UK industry and sold on the UK market.

109. The TRA identified matches between the PCNs produced and sold by Shougang Jingtang in its domestic market with those it produced and exported into the UK, and with the PCNs produced by UK industry and sold on the UK market. These matches were of sufficient quantity to calculate dumping and injury amounts in accordance with Parts 2 and 4 of the Regulations.

Section F: The UK industry and market

F1 The UK industry

110. In accordance with paragraph 6(1) of Schedule 4 to the Act, the UK industry is defined as:
    a) all the producers in the UK of like goods, or
    b) those of them whose collective output of like goods constitutes a major proportion of the total production of those goods in the UK.

111. Information provided in the application and obtained from independent research was used to establish the UK industry.

112. The TRA established that the UK industry is made up of one UK producer during the IP who accounted for all production of the like goods during that same period.

113. The Applicant's volume of production is 100% of UK production. The Applicant therefore meets the definition of UK industry under paragraph 6(1)(a) of Schedule 4 to the Act and will therefore be treated accordingly for the purposes of this investigation.

114. UK industry uses a direct sales method, with sales going direct to downstream businesses.

F2 The UK market

115. The UK market for Tin Mill Products in the POI was approximately 240,000 metric tonnes, with UK industry providing between 55-65% of the demand during this time.

116. Tin Mill Products are used primarily within the packaging industry, utilised for food and beverage containers such as cans, lids, and closures. The dominance of the packaging industry is such that the Applicant states that *"a poor harvest can have a direct impact on the demand for this product as there may be fewer vegetables to can and sell in cans. Cost of living and sustainability concerns, such as food waste, also impact the demand for tinned food products."*[7] They also have industrial applications such as for oil filters, battery jackets, and electronic components.

117. The Tin Mill Product industry within the UK is mature. Customers are well established, and the product uses are broadly consistent within recent times, with some small-scale trends in new use cases. There is no indication of an upcoming significant change to the size of either the customer base or the market.

118. Section H addresses the relevant market trends in detail, including third country supply, as part of the TRA's injury assessment. Section H1.2 discusses the size and variation in the market size, including trends in the market share of UK industry and PRC exports. Section H2.3 covers third country supply and trends.

[7] TRA Investigations - Trade Remedies Service - GOV.UK, accessed 16/06/2025

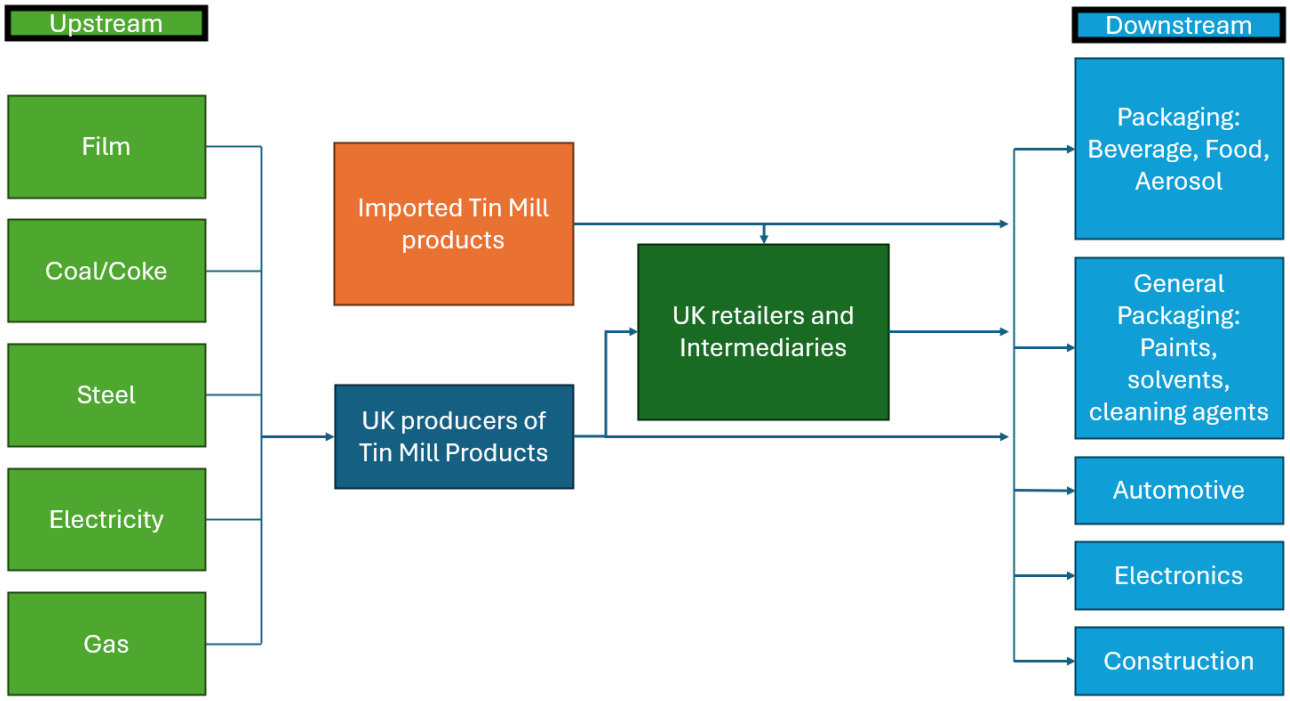
F3 Upstream and downstream industries

119. The upstream industries are discussed in detail in section J4.1.

120. The downstream users of the product are discussed in detail in section J4.4.

121. Figure F1, below, shows how these industries fit within the Tin Mill supply chain.

Figure F1: Tin Mill supply chain.



Source: The TRA

Section G: Dumping

122. In accordance with paragraph 1(1) of Schedule 4 to the Act, goods are 'dumped' in the UK when those goods are imported into the UK and their export price is less than their normal value.

123. The TRA has assessed whether the goods concerned have been or are being dumped in accordance with paragraphs 1(1) and 8(1)(a) of Schedule 4 to the Act.

124. Paragraph 1(2) of Schedule 4 to the Act defines the 'normal value' of goods as:
    a) the comparable price, in the ordinary course of trade, for like goods when destined for consumption in the exporting foreign country or territory, or
    b) such other price or value as may be determined in accordance with provision made by regulations for specified cases where it is not appropriate to use the price in paragraph (a).

125. The dumping margin is the difference between the export price and the normal value of the goods being dumped, described as a percentage of the export price at a level of the cost of insurance and freight (CIF).

126. The TRA has calculated dumping margins in accordance with paragraph 2 of Schedule 4 to the Act and regulation 6(2) of the Regulations. Calculating the dumping margin involved the following stages:
    a) calculating the normal value of the goods concerned;
    b) determining the export price; and
    c) ensuring a fair comparison between the normal value and the export price.

G1 Exporting country analysis

127. Based on information submitted by interested parties, the TRA established that there were at least eight overseas producers of the goods in scope of the investigation during the POI, of which at least five exported the goods concerned into the UK.

128. During the POI, exports of the goods concerned accounted for an estimated volume of 15,871.37 metric tonnes and export value of £15,532,989. Based on data from HMRC Overseas Trade in Goods Statistics, this represents an export share of 8.08% of total imports of Tin Mill Products to the UK by volume.

G2 Normal value

129. In accordance with regulation 6(1) of the Regulations, Part 2 of the Regulations applies where the TRA is required to determine whether goods have been or are being dumped into the UK in accordance with paragraph 1 of Schedule 4 to the Act. To make such a determination the TRA must determine the normal value of the goods concerned in accordance with regulation 6(2)(a) of the Regulations.

130. In accordance with regulation 7(1) of the Regulations, the TRA must use the comparable price to determine the normal value unless it is not appropriate to use that price.

131. Regulation 7(2) of the Regulations sets out the circumstances in which it is not appropriate to use the comparable price to determine the normal value of the goods concerned. This includes regulation 7(2)(b) of the Regulations which applies where, because PMS, such sales do not permit a proper comparison between the like goods destined for consumption in the exporting country or territory and the goods concerned.

132. Regulation 7(4) of the Regulations sets out that for the purposes of paragraph 7(2)(b) a PMS includes situations where prices are artificially low, there is significant barter trade, or prices reflect non-commercial factors.

133. The Applicant alleged that a PMS exists in the PRC market in respect to the Tin Mill Product industry.[8] It alleged that PRC production benefits from non-commercial factors influencing prices which are not the result of free market forces.

134. The allegations of the Applicant have been summarised by the TRA into the following factors, which have been used to assess the existence of a PMS:
    - Distortions affecting domestic prices and costs throughout the PRC market;
    - State support, ownership, and policies affecting the cost to make Tin Mill Products;
    - Finance;
    - Land;
    - Labour;
    - Energy; and
    - Raw materials used to produce Tin Mill Products

135. The TRA's findings in previous investigations such as AD0012[9] and AD0021[10] concluded that a PMS exists in the markets that produce Aluminium Extrusions and Single-mode Optical Fibre Cables (OFC) in the PRC. These investigations identified government support and influence as well as non-commercial factors influencing the prices of finance, land, energy, labour, and the relevant raw materials for Aluminium Extrusions or OFC. These findings provide precedent to support the Applicant's allegation that a PMS exists in the PRC relating to the goods concerned.

136. The TRA conducted an initial PMS assessment to determine whether further investigation concerning PMS was appropriate. This assessment found that distortions in the energy, labour, finance, and raw material markets were particularly significant, so questions concerning this aspect of PMS were added to the questionnaire. Further details concerning this assessment can be found in section G2.1.1 PMS assessment.

137. Where it is not appropriate to use the comparable price in accordance with regulation 7(2) of the Regulations, the TRA must determine the normal value of the goods in accordance with regulation 8 of the Regulations.

138. The TRA calculated the normal value of the goods concerned by determining the costs of production plus a reasonable amount for AS&G costs and for profits in

[8] AD0062 - Tin Mill Products from China: Application, accessed 21/03/2025
[9] AD0012 - Aluminium Extrusions from China, accessed 20/02/2025
[10] AD0021 - Single-mode Optical Fibre Cables from China, accessed 20/02/2025

accordance with regulation 8(1)(a) of the Regulations. This calculation is covered in further detail in section G2.2 Constructed Normal Value.

139. The Shougang Group has stated within its questionnaire submission that it opposes the allegation that there is a PMS in the Tin Mill industry in the PRC. Shougang Jingtang and Shougang Casey both stated within questionnaires that:

"the WTO DSB rulings with regard to the issue of "ownership" and "influence", in that the Appellate Body offered clear interpretations on the relationships between "control" and "influence". A mere ownership of the state in a company can-not simply be drawn a conclusion such company has no rights or freedom to design and formulate its business strategies".

140. We have considered the exporter's comments concerning PMS and its impact on the investigation. We have responded to the comment by considering additional factors as well as ownership when determining state control and influence in the PRC.

141. Shougang Jingtang stated in its questionnaire submission that:

"the main raw material of Tin Mill Products produced by it, i.e., imported iron ore, were purchased from international markets, which are not distorted"

142. We have considered the exporter's comments concerning imported raw materials. We consider the statement that raw materials purchased from international markets are not distorted and should not be adjusted even if a PMS is found, to be reasonable. However, we have identified that all other raw materials with the exception of iron ore were primarily sourced domestically in the PRC during the POI. We have also identified that the average price of iron ore sourced from the PRC was significantly lower than the average price of iron ore sourced from international markets, indicating that the price of domestically sourced iron ore could be distorted by non-commercial factors despite the presence of imported iron ore in the PRC market. We have therefore limited the scope of any PMS adjustments to raw materials sourced from the PRC domestic market. We have not applied adjustments to the cost of raw materials purchased from international markets on the basis of a PMS in the Tin Mill Product market.

G2.1 Particular market situation

143. The TRA has assessed whether a PMS exists in relation to the Tin Mill Product industry in the PRC, in accordance with regulation 7(2)(b) of the Regulations. Regulation 7(4) of the Regulations defines that, for the purposes of regulation 7(2)(b) of the Regulations, a PMS includes situations where:
    - Prices are artificially low
    - There is significant barter trade
    - Prices reflect non-commercial factors

144. This section includes an initial PMS assessment, an in-depth assessment concerning the existence of a PMS in relation to the Tin Mill Product industry, and an assessment of whether the existence of a PMS would prevent a proper comparison as set out in

regulation 7(2)(b) of the Regulations. Within these assessments, the TRA has determined that is has sufficient evidence within the application and the TRA's case research to determine that a PMS exists in relation to the Tin Mill Product industry in the PRC and that this PMS prevents a proper comparison, such that regulation 7(2)(b) of the Regulations is applicable in this investigation.

G2.1.1 Initial PMS assessment

145. The case team conducted an initial PMS assessment as part of the decision to investigate the PMS allegation made by the Applicant. This assessment considered the allegations of PMS and found that these allegations were consistent with findings made by the TRA and other investigative authorities.

146. The assessment found that the European Commission (EC) concluded an anti-dumping investigation concerning Electrolytic Chromium Coated Steel (ECCS) from the PRC and Brazil in November 2022.[11] The EC also initiated an anti-dumping investigation concerning Tinplate from the PRC in May 2024, and imposed definitive measures in May 2025.[12] In addition it found that the EC issued a final determination concerning the primary input material for Tin Mill Products, Hot-Rolled Flat and Coil products (HRFC) which originated in the PRC in June 2023,[13] as well as several other investigations concerning steel from the PRC which have determined that the government of the PRC has a substantial degree of ownership and is in a position to interfere with prices and costs in the PRC steel industry[14].

147. The assessment found that the United States Department of Commerce initiated anti-dumping and countervailing investigations concerning tinplate from the PRC in February 2023.[15] The Department of Commerce issued a final determination in January 2024 stating that it found a PRC wide anti-dumping rate of 122.5% and a subsidy margin of 649.9% on Tin Mill Products from the PRC.[16]

148. The assessment considered recent findings made by the TRA in relation to PMS, specifically those found in the investigations AD0012 and AD0021.

149. AD0012 found a PMS in relation to energy and raw material markets in the PRC. The investigation found that both the energy and raw material markets in the PRC reflected non-commercial factors. The Applicant in the AD0012 investigation alleged additional

[11] AD683 EC Anti-dumping case concerning Electrolytic chromium coated steel (ECCS), accessed 10/03/2025
[12] AD705 EC Anti-dumping case concerning Tinplate, accessed 30/05/2025
[13] AD630 EC Antidumping case concerning Hot-rolled flat products of iron, non-alloy or other alloy steel (certain), accessed 10/03/2025
[14] Commission Implementing Regulation (EU) 2020/508 of 7 April 2020 and Commission Implementing Regulation (EU) 2022/191 of 16 February 2022, accessed 10/03/2025
[15] Commerce Initiates Antidumping Duty Investigations of Tin Mill Products from Canada, the People's Republic of China, Germany, the Republic of Korea, the Netherlands, Taiwan, the Republic of Turkey, and the United Kingdom, and a Countervailing Duty Investigation of Tin Mill Products from the People's Republic of China, accessed 11/03/2025
[16] Department of Commerce Issues Final Antidumping Duty Determinations for Tin Mill Products from Multiple Trading Partners and the Final Countervailing Duty Determination for Tin Mill Products from the People's Republic of China, accessed 11/03/2025

PMS factors but the TRA concluded that it did not receive sufficient evidence to substantiate these claims.

150. AD0021 identified evidence of government support, influence and control in the OFC industry. The investigation found that land, loan, energy, labour, and raw material markets in the PRC reflected non-commercial factors. Only raw material costs were adjusted for as all other cost areas either were not considered material to the exporter cost data, or the cost was found not to be artificially low relative to the selected benchmark of the Republic of Türkiye.

151. The initial assessment concluded that there was sufficient evidence in the application and from the findings of other investigating authorities that a PMS exists in the PRC concerning the Tin Mill market to undertake further investigation and analysis in respect to the alleged PMS. PMS questions were therefore added to the questionnaire.

G2.1.2 Assessing the existence of a PMS

152. Each of the types of allegations made by the Applicant have been considered individually before we concluded whether a PMS exists based on a holistic assessment of the factors.

G2.1.2.1 Distortions affecting domestic prices and costs throughout the PRC market

153. The Applicant alleges that the 'socialist market economy' concept is enshrined in the PRC Constitution and determines the economic governance of the PRC. This allegedly mandates the supremacy of state over private ownership, the intertwined nature of the Chinese Communist Party (CCP) and state government, and results in all aspects of the PRC supply chain being influenced by highly interventionist economic policy which is expressly mandated.

154. The constitution of the PRC was last updated in 2018 and states that the state-owned economy is considered the "*leading force of the national economy*", and the state has the mandate "*to ensure its consolidation and growth*" [17].

155. Article 18 of the Company Law of the PRC, which was updated in December 2023, states that companies must establish a communist party organisation to "*carry out party activities*" and must "*provide the necessary conditions for the activities of the party organization*". [18]

156. An article from Institut Montaigne published in 2021 states that, at the time the article was written, "*over 92% of the top 500 private enterprises [were] hosting party cells*".[19] It goes on to state that "*the coverage should soon be total as it is since 2018 mandatory for domestically listed companies to establish a party unit*".

[17] Constitution of the People's Republic of China, Article 7, accessed 25/02/2025
[18] Company Law of the People's Republic of China, Article 18, accessed 25/02/2025
[19] Influence without Ownership: the Chinese Communist Party Targets the Private Sector, accessed 25/02/2025

157. The Rhodium group, a think-tank that specialises in Chinese trade, investment, and policy, published research in January 2025 that found that several mechanisms distort the PRC market.[20] The factors relevant to steel are:
    - Below-market input costs
    - Financial system distortions
    - Price insulation and intervention
    - Lack of bankruptcy discipline
    - Political confidence

158. The Rhodium group stated that the transparency of government bodies decreases at different levels of government. In the case of the PRC, funds from the central government are allocated to the provincial governments, who then further distribute them to local authorities to help their economies. Details concerning the use of funds and the activities of these lower-level local government offices are less transparent than those directly linked to central government.

159. Research by the Organisation for Economic Co-operation and Development (OECD) has produced similar findings regarding steel subsidies in the PRC, finding in 2023 that "*subsidies to the steel sector are widely used yet lack transparency*".[21] This research by the Rhodium Group and the OECD indicates that obscure subsidy programmes are widespread throughout the PRC economy which distorts prices and costs throughout the market and is particularly acute within the steel industry.

160. The United States Trade Representative (USTR) 2024 Report to Congress on China's WTO Compliance found that "*China still embraces a state-directed, non-market approach to the economy and trade*" and that the PRC economy has "*constantly evolving non-market policies and practices that China deploys in pursuit of its anticompetitive objectives*".[22] It stated that "*When China engages in industrial targeting […], its enterprises typically set their prices very low and often below cost*" and that "*Chinese enterprises […] can sustain the heavy losses that their unreasonably low prices cause them for much longer periods of time than a private company in a market economy because of the substantial financial and regulatory support continually provided to them by the Chinese state*". These findings indicate that distortions in the form of state industrial planning result in low prices and costs throughout the PRC economy.

161. The USTR has stated that measures implemented by the PRC's economic planners contribute to excess capacity within the steel sector, allowing PRC industry to increase production and minimise average costs of production when producing very large volumes of steel. It states that the objective of these measures is to undercut the prices of international competition, including manufacturers of Tin Mill Products in the UK.

[20] Far From Normal: An Augmented Assessment of China's State Support – Rhodium Group, accessed 09/05/2025
[21] Subsidies to the steel industry | OECD, accessed 12/05/2025
[22] USTR Releases Annual Report on China's WTO Compliance | United States Trade Representative, accessed 20/05/2025

G2.1.2.2 State support, ownership, and policies affecting manufacturers' costs of production

162. The Applicant alleges that the GoC systematically provides state support to the steel sector and its production inputs, such as coal, energy, and scrap steel, which results in lower costs of production. It allegedly does this using its ownership of significant amounts of the steel sector and targeted industrial policy.

163. A significant amount of industrial policy is communicated to the steel sector and upstream industries via the fourteenth five-year plan (FYP14) and associated implementation documents. The aim of FYP14 is to provide general guidance on the development of a wide range of economic policies in 2021-2025.[23] [24] [25]

164. The Applicant referenced several documents that show that the FYP14 specifically targets the steel sector and its raw materials, such as the *Guiding Opinions on Promoting High-Quality Development of the Steel Industry*[26], *China unveils five-year plan to boost raw materials industry*[27] and the *14th Five-Year Plan for the development of the scrap steel industry*[28]. We have also identified several publications that detail the objectives of the FYP14 that are specific to the raw material inputs of the Tin Mill Product industry including:

- China unveils five-year plan to boost raw materials industry - '*Including steel, nonferrous metals, building materials, and new materials sub-sectors, the raw materials sector has long served as the bedrock for the real economy.*'[29]
- The FYP14 on the development of circular economy - '*by 2025, the utilization of scrap steel will reach 320 million tons.*'[30]
- Outline of the FYP14 for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035 - '*Promote the concentration of coal production in resource-rich areas, reasonably control the scale and development rhythm of coal-fired power construction and promote the use of electricity instead of coal*'.[31]
- FYP14 for National Informatization - '*Improve the nationwide comprehensive credit services infrastructure for SMEs, […] in the water, electricity, coal, gas, and related industries; and increase the ability of SMEs to obtain financing.*'[32]

[23] CSET Original Translation: China's 14th Five-Year Plan, accessed 04/03/2025
[24] Translation: 14th Five-Year Plan for National Informatization – Dec. 2021, accessed 04/03/2025
[25] Outline of the 14th Five-Year Plan of the People's Republic of China (www.gov.cn), accessed 04/03/2025
[26] Guiding Opinions on Promoting High-Quality Development of the Steel Industry, accessed 04/04/2025
[27] China unveils five-year plan to boost raw materials industry, accessed 04/03/2025
[28] Big news! The 14th Five-Year Plan for the development of the scrap steel industry has been released, csteelnews.com, accessed 04/03/2025
[29] China unveils five-year plan to boost raw materials industry, accessed 17/03/2025
[30] The "14th Five-Year Plan" for the Development of Circular Economy has been released: by 2025, the utilization of scrap steel will reach 320 million tons, and a special action will be launched to control the entire chain of plastic pollution, accessed 04/03/2025
[31] Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Term Objectives for 2035, accessed 04/03/2025
[32] Translation: 14th Five-Year Plan for National Informatization – Dec. 2021, V. Priority Actions, (8) Actions for Universal Digital financial Services, accessed 17/03/2025

165. The TRA has also identified additional publications by the GoC that outline PRC industrial planning and show that steel and its raw material inputs have benefited from PRC state policy. For instance, the National Development and Reform Commission (NDRC) has stated that coal (including "*scarce and special coal types such as coking coal*"), iron, chromium, and tin are all considered strategic minerals that are targets of industrial policy to ensure stability of supply.[33] The NDRC has also stated that the coking industry received significant investment from the GoC to improve its energy efficiency and there have been investments in new green capital to improve its coke production.[34] These industrial policies within the PRC introduce non-commercial factors that influence the supply chain and cost of raw materials used in the production of Tin Mill Products.

166. The cooperative Chinese exporter, the Shougang Group, is entirely state-owned.[35] It is owned by the State-owned Assets Supervision and Administrative Commission of the State Council (SASAC)[36] which is an institution directly under the supervision of the State Council of the PRC.[37]

167. Research by Stanford University in 2024 found that state or partial state ownership tends to boost firm growth and productivity up to 73% faster relative to private firms in the PRC.[38] This high correlation between state ownership and growth indicates that State-owned enterprises (SOEs) receive additional support from the GoC which encourages rapid growth.

168. The preferential treatment of SOEs and encouraged status of steel and its raw material inputs has been recognised by prominent PRC officials. After the merger of two steelmaking SOEs in 2021 to create the world's third largest steelmaker by volume, Weng Jieming, vice-chairman of the SASAC stated: *"Giving full play to the rich mineral resource advantages of these two SOEs in both home and overseas markets, the move will reinforce China's ability in controlling strategic resources, as well as better ensuring the security of the steel industry and supply chains."*[39] While visiting a cold rolling mill in 2025, President Xi Jingping stated: *"The steel industry is an important basic industry of the country and the real economy is the foundation of the national economy."*[40] This demonstrates that PRC officials continue to focus on the steel industry as a strategic priority of the national economy and intend to provide it with ongoing state support.

169. In 2023 the Ministry of Industry and Information Technology (MIIT) and other GoC organs, released a plan that aimed to promote and support steel industry

[33] National Mineral Resources Planning (2016-2020), Section 4 and Column 6, accessed 20/03/2025
[34] Accelerate energy conservation and carbon reduction transformation and upgrading to promote green, low-carbon and high-quality development of the coking industry, accessed 20/03/2025
[35] Shougang Group Company Profile, accessed 21/03/2025
[36] State-owned Assets Supervision and Administration Commission of the People's Government of the Beijing Municipality, accessed 25/02/2025
[37] State-owned Assets Supervision and Administrative Commission of the State Council, accessed 25/02/2025
[38] Reassessing the Role of State Ownership in China's Economy | FSI – accessed 12/05/2025
[39] SOEs' recast to create third-largest steelmaker, accessed 21/05/2025
[40] Xi stresses importance of steel industry, real economy, accessed 22/05/2025

development, with efforts directed to expanding demand, supply capacity, and *"pledges support for the development of electric furnace steel."*[41] The same release stated: *"China will also expand demand for iron and steel products from key areas, make the industrial chain more internationalized and push ahead with corporate mergers and reorganizations, according to the plan."* This shows that the GoC continues to commit support to industrial development in the steel sector including new technology and capacity expansions, which will ultimately resulting in lower production costs for Tin Mill Products.

170. The Shougang Group states within its questionnaire submissions that the mere ownership of the group by the GoC does not demonstrate that organisational decision-making is directed by the GoC.[42] We did not receive a questionnaire submission from the GoC; however did receive comments on the SEF by MOFCOM on behalf of the GoC.

171. The TRA responds to these statements by the exporter by reiterating that influence and direction from the GoC has not been found only on the basis of state ownership. We have found significant evidence that the Tin Mill Product industry in the PRC is the beneficiary of targeted industrial policy and support from the GoC. We have therefore determined that the direction and support provided by the GoC which results in lower costs of production are demonstrated by factors beyond mere ownership.

172. This conclusion aligns with the findings of the USTR, EC, and OECD. The USTR has stated that the CCP increased its influence over SOEs, worked to ensure that the direction of the SOEs aligns with national strategies and facilitated the non-market driven activities that provide SOEs with advantages, especially within the steel sector.[43]

G2.1.2.3 Finance

173. The Applicant alleges that access to capital for corporate actors is subject to various distortions in the PRC. The Applicant states that steel manufacturers benefit from the PRC financial system considering criteria other than economic viability when granting access to finance, such as steel's status as an encouraged industry for the purposes of industrial planning.

174. In relation to finance costs, the TRA has previously determined in AD0021[44] that there is evidence that loan interest rates reflect non-commercial factors, and as such this contributed to a PMS within the OFC industry. However, due to the low materiality in contributing to the AS&G costs of cooperating OFC producers in the case AD0021, no adjustments were made.

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[41] Value-added of China's iron and steel industry set to grow by 3.5 percent, accessed 22/05/2025
[42] AD0062 - Tin Mill Products from China: AD0062_Shougang Jingtang_Non-Confidential, accessed 21/03/2025, and AD0062 - Tin Mill Products from China: AD0062_Shou Gang Casey_Non-confidential, accessed 21/03/2025
[43] USTR Releases Annual Report on China's WTO Compliance | United States Trade Representative, accessed 20/05/2025
[44] TRA Investigations - Trade Remedies Service - GOV.UK (trade-remedies.service.gov.uk), accessed 04/03/2025

175. In the PRC, the banking system is largely controlled by the GoC[45] with preferential treatment given to SOEs in terms of access and the cost of finance.[46]

176. The World Economic Forum writes that "*SOEs are often criticised for abusing their preferential access to loans, and for lobbying for regulations which drive out competitive private companies*". [47] It also states that that "*the Chinese government is still keen on supporting SOEs and is committed to making them bigger, stronger and more efficient. This is particularly relevant to certain strategic sectors where government oversight is essential*."

177. Article 34 of the Law of the People's Republic of China on Commercial Banks states "*A commercial bank shall conduct its loan business in accordance with the need for the development of the national economy and social progress and under the guidance of the state industrial policy".*[48] As previously found in section F2.1.2.2, state industrial policy routinely supports steel production as a priority industry.

178. Euromoney states that state-owned banks "*are mandated to support the government's economic agenda*" and that "*state-owned banks are better positioned to support national priorities*". [49]

179. Research published in Economic Inquiry considers that there are "*two forms of SOE preferential arrangements–investment subsidies (a fiscal support) and privileged access to credits (a credit support)*".[50] Research published by the Rhodium Group aligns with this conclusion, indicating that the deployment of state financial resources is informed by industrial policy.[51]

180. The above evidence suggests that the Shougang Group, as an SOE, may benefit from preferential financial arrangements such as fiscal and credit support. This is further supported by Stanford University research which found that *"Compared to private firms, firms with state ownership tend to have lower borrowing costs on average. Firms with mixed ownership also enjoy similar favourable borrowing terms from state-owned banks as 100% state-owned enterprises."*[52]

181. The Centre for Strategic and International Studies released a report which states how incentives to provide loans to SOEs ensure that individual loan officers and banking institutions both prefer to loan to SOEs instead of private enterprises: [53]
    a) *"SOEs face soft budget constraints and often receive subsidies directly from fiscal resources in order to continue operating. Lending to SOEs is therefore seen as entirely safe because the state must support these borrowers*

[45] Crisis looms: The challenges facing China's banks and their global implications, accessed 17/03/2025
[46] China's Financial System: the Tension between State and Market | Cato Institute, accessed 17/03/2025
[47] World Economic Forum: The role of China's state-owned companies explained, accessed 21/03/2025
[48] Law of the People's Republic of China on Commercial Banks, accessed 20/05/2025
[49] China's state-owned banks drive lending surge | Euromoney, accessed 21/03/2025
[50] State-owned enterprises and entrusted lending: Economic growth and business cycles in China - Zhang - 2024 - Economic Inquiry - Wiley Online Library, accessed 17/03/2025
[51] Far From Normal: An Augmented Assessment of China's State Support – Rhodium Group, accessed 09/05/2025
[52] Reassessing the Role of State Ownership in China's Economy | FSI, accessed 12/05/2025
[53] Grasping Shadows: The Politics of China's Deleveraging Campaign, accessed 20/05/2025

regardless of the level of debt they accrue. Banks typically are happy to lend to state-owned borrowers and will do so until they hit lending quotas, as the profitability of such loans is basically guaranteed"

b) *"Loan officers also face personal incentives for lending to state firms. A loan officer could be personally blamed for losses incurred by lending to private firms, whereas lending to SOEs would be viewed as a job requirement"*

182. The Rhodium group states that many steel firms, especially SOEs, benefit from the assumption that the GoC will not allow them to fail.[54] As President Xi Jingping continues to publicly support the steel industry[55] and the FYP14 includes several initiatives that support the steel industry and its raw material inputs,[56] the GoC strongly indicates that the steel industry remains to be of critical importance to its industrial planning. This benefit manifests as:
    a) Access to lower borrowing costs due to the assumption of reduced risk of loan defaults from SOEs
    b) Improved access to bond markets due to industrial planning

183. The OECD highlighted the case of Sinosteel in 2016, where the GoC intervened to enable a 9 billion USD effort to diffuse the default risk of steel, as well as several other instances of similar intervention. The OECD identifies both the borrowing steel company and the lender as the primary beneficiaries of such schemes, and often these beneficiaries are SOEs.[57]

184. As many banking institutions are fully or partially SOEs, as outlined in section F2.1.2.2, and are required under the company law of the PRC to have a CCP organization to carry out party activities,[58] the GoC and CCP can influence the decision-making of these banks. This is supported by findings of the USTR, which stated "*The Party, through its Organization Department, appoints executives in state-owned banks and other state-owned financial institutions. China's central bank, the People's Bank of China (PBOC), also meets frequently with large banks in China to ensure that their lending decisions align with PBOC and government objectives*".[59]

185. The Shougang Group provided details of all loans that were active during the POI, which were incorporated into our PMS considerations and the dumping calculation for the Shougang Group.

G2.1.2.4 Land

186. The Applicant claims that property rights are regularly not respected in relation to ownership of land and land-use rights in the PRC, leading to certain buyers obtaining land for below market rates.

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[54] Far From Normal: An Augmented Assessment of China's State Support – Rhodium Group, accessed 09/05/2025
[55] Xi stresses importance of steel industry, real economy, accessed 21/05/2025
[56] China unveils five-year plan to boost raw materials industry, accessed 21/05/2025
[57] Subsidies to the steel industry | OECD, accessed 21/05/2025
[58] Company Law of the PRC – Article 18, accessed 29/05/2025
[59] USTR Releases Annual Report on China's WTO Compliance | United States Trade Representative, accessed 20/05/2025

187. The Land Administration Law of the PRC states that all urban land in the PRC is owned by the state (commonly known as state-owned land), and the suburban and country areas are either owned by the state or rural collectives (commonly known as collective land).[60]

188. The process of land allocation is usually administered in accordance with the local government's economic and industrial planning. Article 5 of the Order of the Ministry of Land and Resources of the People's Republic of China states that the expectation is that land allocation will be done "*in accordance with the economic and social development plan, industrial policy, overall land use plan, annual land use plan, urban planning and land market conditions, and shall promptly publish it to the public after approval by the people's government at the same level*".[61] This allocation method for land mandates that several non-commercial factors are used to decide which organisations are assigned the use rights, which means that, despite the price of land being determined by a bidding process, the price of land use rights remains contingent on the assessment of non-commercial factors.

189. Favourable land treatment is in place for certain industries, such as those listed in the PRC's Catalogue of Encouraged Industries for Foreign Investment. Land can be preferentially supplied for encouraged foreign-invested projects with intensive land use; and the minimum price of land transfer can be set at 70% of the national minimum price for industrial land in the specific locations where the transfer occurs.[62] This demonstrates the role that state industrial planning has on the allocation of land and represents a non-commercial factor that impacts the price of land for both for encouraged and discouraged industries in the PRC. As found in section F2.1.2.2, the steel sector remains an encouraged industry and a key part of PRC industrial policy including the FYP14.

G2.1.2.5 Labour

190. The Applicant alleges that the structure of the labour market in the PRC has led to the wage cost being distorted. It notes that several conventions of the International Labour Organization (ILO) have not been ratified in the PRC, including convention C098 concerning rights of collective bargaining and convention C087 concerning freedom of association and rights to organise[63], and the application states that household registration system (commonly known as the "hukou system") leads to the distortion of wage costs in the PRC.

191. In relation to the cost of labour, the TRA has previously determined in AD0021[64] that there was evidence that the labour market reflects non-commercial factors, but because the cooperating overseas exporter's labour costs did not appear to be

[60] Land Management Law of the People's Republic of China, third amendment (2019), accessed 17/03/2025
[61] Decree of the Ministry of Land and Resources of the People's Republic of China, accessed 21/03/2025
[62] China's Encouraged Catalogue Updated for 2023: Key Points for Investors (china-briefing.com), accessed 03/06/2025
[63] International Labour Organisation: Ratifications for China and International Labour Organisation: Up-to-date Conventions and Protocols not ratified by China, accessed 12/03/2025
[64] TRA Investigations - Trade Remedies Service - GOV.UK (trade-remedies.service.gov.uk), accessed 04/03/2025

artificially low in comparison to the selected benchmark country no adjustment to labour costs were made.

Labour – trade unions

192. The Applicant alleges that PRC workers have no possibility to freely choose or establish a trade union in which they want to organise themselves, because there is only one legally recognized trade union, the All-China Federation of Trade Unions (ACFTU). Within the structure of the ACFTU are various local and grassroots trade unions, but all unions are subject to oversight by the ACFTU.

193. The ACFTU's records in supporting labour and providing suitable and competitive advocacy on behalf of workers is questioned and disputed. The China Labour Bulletin, a Hong Kong based advocacy group, issued a report calling into question the independence of the ACFTU from CCP political influence[65], highlighting that *"because the ACFTU's focus has been on its local unions, the numerous enterprise unions that it has set up have, more often than not, become mere empty shells, controlled or dominated by managements and unable to represent workers' interests."*

194. The Global Labour University (GLU), part of the International Labour Office, found in 2011 that of the 1,811 union presidents surveyed within ACFTU companies:[66]

- 90.3% were members of the CCP
- 40.6% were middle-level managers
- 17.9%% were CPC committee directors or deputy-director of CCP committees
- 13.3% were retired factory heads or managers
- Only 4.2% were ordinary employees before becoming union presidents
- 23.3% were directly appointed by higher-level unions or CPC branches
- 51.7% of union president elections had only one candidate selected by the CCP or higher-level unions
- Only 2.6% were elected through open, competitive screening tests

195. These findings by the GLU show that despite the requirement in Articles 6 and 10 of the Trade Union Law of the PRC that mandates elections,[67] most union presidents of the ACFTU were CCP members who were part of company management and most gained their positions through undemocratic election processes. This indicates that the leadership of ACFTU members is highly likely to align with the goals of the CCP and company management to the detriment of worker demands for wages.

196. The Trade Union Law of the PRC governs establishment and operation of labour unions.[68] Article 3 of the Trade Union Law states that all workers have the right to organise or join trade unions according to law, and that no organisations or individuals should obstruct or restrict them. However, article 2 states that "*Trade unions are mass*

[65] Research Report into Worker Rights Promotion in China (No, accessed 24/05/2025
[66] All China Federation of Trade Unions: Structure, Functions and the Challenge of Collective Bargaining, accessed 23/05/2025
[67] Trade Union Law of the People's Republic of China, Articles 6 and 10, accessed 03/06/2025
[68] Trade Union Law of the People's Republic of China, Article 3, accessed 04/03/2025

organizations of the working class under the leadership of the CCP" and article 4 states how all trade unions must align ideologically and politically with the CCP.

197. Article 10 of the Trade Union Law states that the ACFTU shall be established in accordance with the principles of democratic centralism, which mandates that the current party line once voted on should be binding upon all members.[69] The article also mandates that all trade union committees must report to the general membership congress and accept their supervision, that several trade union congresses have the right to replace or remove members from elected trade union committee positions within the ACFTU, and that higher-level trade unions lead lower-level organisations. This demonstrates that the ACFTU is a highly centralised organisation, which limits the effectiveness of its members and lower-level trade union organisation collective bargaining power on wages.

198. Article 32 of the CCP constitution states that trade unions within non-public sector entities shall be controlled by CCP organisations in order to implement government policy.[70] The CCP constitution states that labour unions are to be overseen by CCP organisations and so would not be independent of CCP political influence.

199. In 1982, the official recognition of the right to strike was removed from the constitution of the PRC,[71] [72] which removed a key element of workers' collective bargaining power on wages.

200. As discussed in section G2.1.2.5 Labour, the ILO conventions that the PRC has not ratified include C098 and C087, which relate to collective bargaining and freedom of association. These basic freedoms of labour are necessary to have independent and effective trade unions that are independent of the GoC and CCP, removing another key element of collective bargaining that would overwise be available in a commercial market for wages.

Labour – hukou system

201. The Applicant alleges that the Chinese workforce and the cost of labour in the PRC is impacted by the hukou household registration system.

202. The hukou system is a legal registration system that records basic information about workers and splits PRC citizens into rural labour for those living in towns and villages who have a rural hukou; and urban labour for those who live in larger cities who have an urban hukou.[73] This system restricts access to improved public services and social welfare present in urban areas to those classified as urban workers, resulting in an a pool of rural workers who are willing to work for less than their counterparts in urban areas for the promise of eventually acquiring an urban hukou. Rural workers working

[69] Trade Union Law of the People's Republic of China, Article 10, accessed 03/06/2025
[70] Constitution of the Communist Party of China, Article 33, accessed 04/03/2025
[71] 2024 ITUC GLOBAL RIGHTS INDEX, accessed 04/03/2025
[72] Human Rights Council Universal Periodic Review on People's Republic of China, accessed 04/03/2025
[73] Zhao Junjie: Review of the Reform Process of China's Household Registration System, Reform Evaluation and Trend Judgment, accessed 21/03/2025

in urban areas are often referred to as "migrant workers" and routinely have lower average wages than non-migrant workers employed in urban areas.[74]

203. There have been multiple reforms to the hukou system that have increased the number of urban hukou holders to 45% in 2020.[75] China Briefing looked at the impact of hukou on the PRC's economy, and reports that "*since hukou restricts the free mobility of Chinese workers, it strains overall economic growth. These effects are exacerbated because the PRC has a shrinking workforce that peaked in 2011 and has decreased every year since then, leading to double-digit growth in labour costs*."

204. The Centre for Strategic & International Studies[76] states that "*centrally directed hukou reforms have largely been watered down by local governments and offset by more migration, suggesting that recently announced hukou reforms will have little effect on the millions of rural migrants in major cities*."

205. The effect of the hukou system is that the labour markets which determined wages are affected by the non-commercial factor of the legal registration status of individuals in the PRC. The system either limits employment exclusively to workers with the correct hukou registration or introduces a tiered wage system for migrant and non-migrant workers.

Labour costs – reduced employment cost of migrant workers

206. Employers do not have to pay social protection insurance for migrant workers, if they have no contract of employment.[77] This confers an advantage to the employer of reduced labour costs.

207. A Sixth Tone article from 2017 indicates that just over one third of migrant workers in the PRC have a signed labour contract with their employer.[78] More recent research from 2022 by the International Journal of Environmental research and Public Health indicates this number has increased to just under 50%.[79]

208. The hukou system also consistently results in lower wages paid to migrant workers, both between and within professions.[80] The GLU found that migrant workers earned 20-50% less than urban workers, and the Hong Kong University of Science and Technology found that migrant workers had a negative pay differential of between 8-36% relative to urban workers.[81]

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[74] 2023 Migrant Workers Monitoring Survey Report, accessed 21/03/2025
[75] China's Hukou System: What it is and How it Works, accessed 04/03/2025
[76] China's Hukou Reform in 2022: Do They Mean it this Time?, Centre for Strategic International Studies, accessed 04/03/2025
[77] Improving social protection for internal migrant workers in China, International Labour Organisation, accessed 03/06/2025
[78] Fewer of China's Migrant Workers Have Labor Contracts, Sixth Tone, accessed 04/03/2025
[79] Research on the Influence of Labor Contract on the Urban Integration of Migrant Workers: Empirical Analysis Based on China's Micro Data, accessed 04/03/2025
[80] All China Federation of Trade Unions: Structure, Functions and the Challenge of Collective Bargaining, accessed 23/05/2025
[81] Wage Discrimination in Urban China: How Hukou Status Affects Migrant Pay | Thought Leadership Briefs | Publications | HKUST Institute for Emerging Market Studies, accessed 27/05/2025

209. The TRA did not identify any evidence indicating that the Shougang Group employs migrant workers without a contract of employment.

Labour costs – combined impact on wages

210. A study published in 2023 from the journal Humanities and Social Sciences Communications stated that average manufacturing salaries in the PRC are rising rapidly[82] with the Reshoring Institute concluding that the PRC is no longer the low-cost country it once was due to the increasing cost of labour.[83]

211. Studies show that this upward trend applies to the manufacturing sector with average wages only falling in 2024 after ten years of growth, as shown below in figure 3: [84]

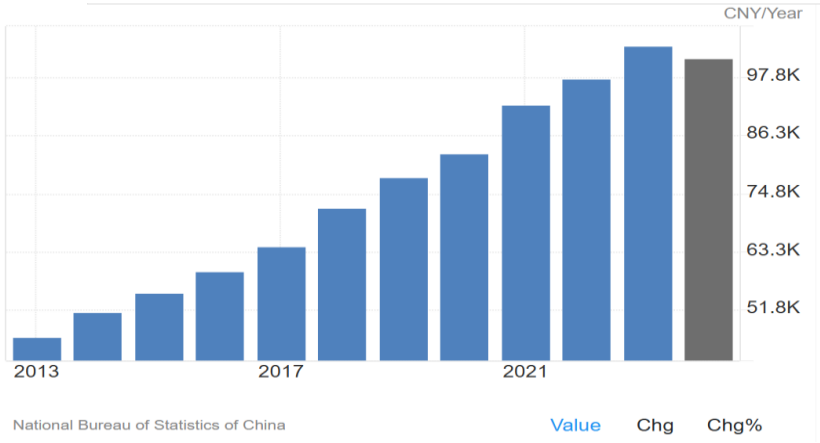

Figure 3 Wages in manufacturing (CNY/Year). Source: https://tradingeconomics.com/china/wages-in-manufacturing | National Bureau of Statistics of China

212. Despite the general upward trend in manufacturing salaries in the PRC, in the year 2022 the salaries of workers in the Chinese manufacturing sector remain lower than those of many other countries, including the UK, as seen below in figure 4. [85]

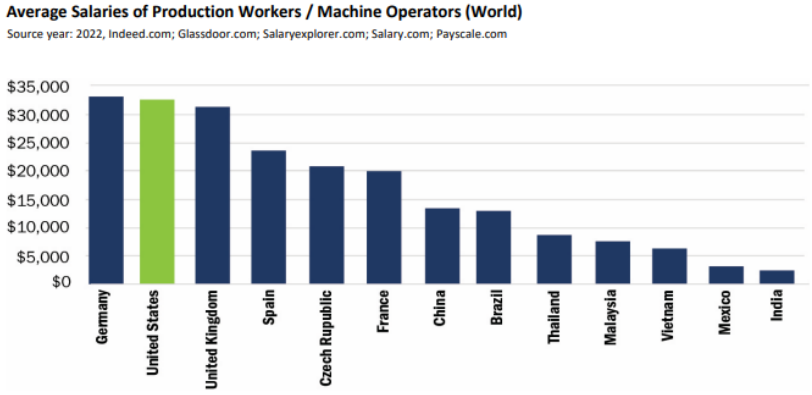

Figure 4 Average salaries of production workers / machine operators. Source: https://reshoringinstitute.org/wp-content/uploads/2022/09/GlobalLaborRateComparisons.pdf

[82] Does government investment push up manufacturing labor costs? Evidence from China, Humanities and Social Sciences Communications, accessed 04/03/2025
[83] Global Labor Rate Comparisons, Reshoring institute, accessed 04/03/2025
[84] China Average Yearly Wages in Manufacturing (tradingeconomics.com), accessed 21/03/2025
[85] Global Labor Rate Comparisons, Reshoring institute, accessed 04/03/2025

G2.1.2.6 Energy

213. The Applicant alleges that there is distortion in the energy market as a result of GoC intervention, which results in distorted energy costs incurred by producers of Tin Mill Products in the PRC.

214. In relation to the cost of energy, the TRA has previously determined in AD0021[86] that costs did not appear to be artificially low in comparison to benchmark, and production of OFC is not particularly energy intensive. In AD0012,[87] the TRA determined that a PMS exists in the energy market relating to Aluminium Extrusions at a national and local level, causing prices to be artificially low. The conclusions of AD0012 are notable as they are related to the production of metals in the PRC and are influenced by similar industrial policy to the steel industry.

215. Price controls in the PRC take two forms "government-set prices" or "government-guided prices". [88] Government-set prices are fixed prices set by the competent authorities, while government-guided prices are prices set by business operators within a range of prices set by the competent pricing departments or other related government departments, within which the real price is allowed to fluctuate.

216. The Department of Pricing sits within the NDRC and its function is to "*monitor, forecast and give warning of price changes, and propose price control targets and policy recommendations*". [89] The products and services that are subject to price controls are listed in a Central Government Pricing Catalogue.[90] The current Central Government Pricing Catalogue was issued by the NDRC on 13 March 2020 (NDRC Order No. 31, 2020) and came into effect on 1 May 2020. The list includes "*provincial and above provincial power grid transmission and distribution prices*". This demonstrates that energy prices in the PRC are subject to price controls, most likely in the form of government-guided prices.

217. The relevant legislation is the Pricing Law of the PRC.[91] Articles of the pricing law relevant to energy include:
    - Article 1 *"This Law is enacted in order to standardize pricing, give play to the role of pricing in rationally allocating resources, stabilize the general level of market price, protect the lawful rights and interests of consumers and managers and promote the sound development of a socialist market economy".*
    - Article 6 *"Commodity prices and service prices, with the exception of those whose prices shall be guided or fixed by the government under Article 18 of this Law, shall be regulated by the market, that is, fixed by the manager on his own in accordance with this Law".*

[86] TRA Investigations - GOV.UK (trade-remedies.service.gov.uk), accessed 04/03/2025
[87] TRA Investigations - GOV.UK (trade-remedies.service.gov.uk), accessed 04/03/2025
[88] WTO Trade Policy Review China, accessed 04/03/2025
[89] National Development and Reform Commission (NDRC): About, accessed 04/03/2025
[90] NDRC: Order of the National Development and Reform Commission of the People's Republic of China, accessed 04/03/2024
[91] Pricing Law of the People's Republic of China, accessed 04/03/2025

- Article 7 *"The manager shall follow the principles of fairness, lawfulness and good faith in fixing prices".*
- Article 18 *"When necessary, the government may guide or fix the prices for the following commodities and services:*
  - *a very small number of commodities that have a vital bearing on the development of the national economy and the well-being of the people;*
  - *a small number of commodities for which resources are scarce;*
  - *commodities placed under natural monopoly;*
  - *important public utilities; and*
  - *important public welfare services*"

218. The NDRC has issued a notice in 2025 stating that "*the mechanism price [for new energy] shall be implemented in accordance with the current price policy and shall not be higher than the local coal-fired power benchmark price*".[92] This shows that energy remains subject to the pricing law, and that energy is subject to maximum pricing policies, indicating that prices are still significantly influenced by non-commercial factors.

219. The same NDRC notice from 2025 states that energy pricing should "*adhere to classified measures, […] maintain policy connection to existing project, and stabilise the expected benefits of incremental projects*" and "*adhere to overall coordination, and make concerted efforts in policies such as industry management, price mechanisms, […] and better support the realisation of the goals of the new energy development plan*". This further demonstrates that energy pricing policy remains subject to national and industrial planning and remains a tool of the GoC to achieve its policy objectives.

220. In 2022, the NDRC released a press notice stating that 20% of electricity prices were not set by the market.[93] This demonstrates that even according to NDRC public statements there are large sections of the PRC economy that receive energy at non-market prices, and this is likely to indirectly affect the prices of all other energy users in a non-commercial way.

221. We also have identified evidence PRC industrial policy supported the construction of on-site electricity generation facilities, which significantly reduces the cost of energy in the form of electricity. The GoC supported the development of self-generating electricity capacity for all steel joint ventures with a scale of more than 5 million tons in 2005, as announced by the NDRC with approval from the State Council of the PRC.[94]

222. We have also identified that steel manufacturers in the PRC continue to benefit from state support to develop on-site electricity generating facilities. In 2024, the director of Energy Efficiency and Investment Evaluation Committee of the China Energy Research Society (CERS) stated that self-generated electricity power plants in steel enterprises should be developed into green-microgrids to replace the power plants

[92] Notice on Deepening the Market-oriented Reform of New Energy Grid-connected Electricity Prices and Promoting the High-quality Development of New Energy, accessed 11/03/2025
[93] China's pricing mechanism highly market-based: National Development and Reform Commission (NDRC) People's Republic of China, accessed 04/03/2025
[94] Order of the National Development and Reform Commission of the People's Republic of China No. 35, Steel Industry Development Policy (2005), accessed 14/05/2025

that were constructed with the support of NDRC policy.[95] The CERS is "*under the guidance, supervision and administration of China Association for Science and Technology*",[96] a constituent member of the Chinese People's Political Consultative Conference (CCPCC).[97] The CCPCC describes itself as a member of the PRC united front, a political strategy and movement that works to further PRC interests[98], with goals such as upholding the leadership and implementing the guiding principles of the National Congress of the CCP.[99] Due to the CERS being under the supervision of and association with the CCP and its objectives, the approval of self-energy development by the CERS has been interpreted as state support. We have therefore determined that PRC producers continue to receive state support when constructing electricity generating facilities, resulting in lower energy costs.

223. The TRA has found evidence that energy pricing in Hebei province, which Shougang Jingtang operates in and is the PRC province with the highest steel production by volume,[100] continues to be influenced by non-commercial factors due to the Hebei Provincial Development and Reform Commission announcing changes to energy pricing policies in 2023.[101] Hebei province has benefited from extensive investment in green power generation as outlined in government industrial planning,[102] resulting in over 60% of the total power capacity in the province consisting of solar and wind power.[103] The NDRC has stated in 2024 that it and its provincial entities intend to "*strengthen the coupling development of steel, nonferrous metals, […] with renewable energy*",[104] indicating that the development of the energy market in Hebei province is influenced by non-commercial central planning with the intention of aiding the development of industries including the Tin Mill Product industry.

G2.1.2.7 Raw materials used to produce Tin Mill Products

224. The Applicant alleges that the costs associated with raw materials to produce Tin Mill Products are distorted in the PRC.

225. In relation to the cost of raw materials in the PRC, the TRA has previously determined in AD0012[105] and AD0021[106] that a price difference exists due to non-commercial factors. This further indicates that industrial planning in the PRC systematically

[95] Electrification of the steel industry is imminent, People's Daily Online (02/12/2025), accessed 14/05/2025
[96] CERS Introduction – China Energy Research Society, accessed 03/06/2025
[97] About us – China Association for Science and Technology, accessed 03/06/2025
[98] The United Front in the UK, accessed 16/06/2025
[99] Constitution of the Chinese People's Political Consultative Conference, accessed 10/06/2025
[100] Metallurgists of the Chinese province of Hebei produced 135.8 million tons of steel in January-July, accessed 10/06/2025
[101] Notice of the Hebei Provincial Development and Reform Commission on further improving the time-of-use electricity price policy for industrial, commercial and other users of the Jibei Power Grid, accessed 11/03/2025
[102] Notice of the National Development and Reform Commission and other departments on the issuance of the "Special Action Plan for Energy Conservation and Carbon Reduction in the Steel Industry", accessed 11/03/2025
[103] Hebei leads in green power transition, accessed 11/03/2025
[104] The National Development and Reform Commission and other departments about Vigorously implementing the guidance on renewable energy substitution actions, accessed 12/03/2025
[105] AD0012 - Aluminium Extrusions from China: Final determination, accessed 21/03/2025
[106] AD0021 - Single-mode Optical Fibre Cables from China: Final determination, accessed 21/03/2025

focuses on reducing the price of raw materials as a strategy to support encouraged industries.

226. The steel industry is a key part of state interventions outlined in Steel Industry Development Policy and the FYP14.

227. GoC plans and industrial strategies that provide the political basis for programs which support industry in the PRC. Although these support programs are generally phrased in terms of aims and ambitions for the GoC rather than explicit actions, they form the basis for government support of industry in the PRC.

228. There is an international consensus that the Chinese steel industry and the raw materials that feed into it are heavily subsidised, with organisations such as the Financial Times,[107] Nasdaq[108], Euronews,[109] and Mitsui & Co.[110] all reporting on high levels of subsidisation in the steel sector.

229. A report published by Wiley Rein LLP in 2024 found that, despite Chinese reform pledges, the Chinese steel industry is still subject to government intervention which results in market distortion. [111]

230. The steel industry is largely owned by the state and key personnel within Chinese steel manufacturers also hold positions within the CCP. As outlined in G2.1.2.1 and G2.1.2.2, SOEs and partial SOEs operate in alignment with industrial priorities.

231. There is evidence that the Chinese steel industry, and the industries providing steel inputs, is dominated by SOEs.[112] According to CAMAL Group, the majority of the top ten Chinese steel manufacturers are SOEs.[113]

232. Research published by the TRA in September 2024 noted that large SOEs are used as 'vehicles to pursue the government's economic policies' and thus likely to be subsidised. [114] Further, this research noted that the level of subsidisation from the GoC has been on the rise in recent years, with subsidies coming in numerous forms ranging from currency policies to cash grants.

233. Literature identified by the TRA details the numerous mergers undertaken in the Chinese steel industry between 2005 and 2010. The purpose of these mergers, supported by funding from state banks, is argued to be a concentration of resources and technologies to dominate the global steel market. [115]

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[107] EU plans anti-subsidy probe into Chinese steelmakers (ft.com), accessed 24/03/2025
[108] China's Subsidies Draw More International Wrath | Nasdaq, accessed 24/03/2025
[109] Unfair Chinese competition: EU plans anti-subsidy steel probe | Euronews, accessed 24/03/2025
[110] Microsoft Word - Fin 2101Monthly_matano - コピー.docx (mitsui.com), accessed 24/03/2025
[111] Wiley Trade Report on Steel Subsidies Reveals China's Market-Distorting "Shell Game": Wiley, accessed 24/03/2025
[112] Chinese government steps into iron ore trade - Recycling Today, accessed 20/03/2025
[113] Top 10 Chinese Steel Manufacturing Companies - CAMAL Group (camaltd.com), accessed 21/03/2025
[114] Research and analysis: Market distortions in major steel producing countries, accessed 21/03/2025
[115] Governing Global Production Resource Networks in the Asia-Pacific Steel Industry, accessed 04/03/2025

234. The TRA has previously found in case TD0001 that the Thirteenth Five-Year Plan outlines how the GoC intended to increase the size of SOEs in the steel industry and provide further incentives and subsidies to support the industry.[116]

235. A study conducted by The Research Institute of Economy, Trade and Industry published in 2020[117], found that 'preferential treatment [subsidies] of these specific SOEs [in the PRC's steel industry] induced them to engage in price cutting behaviour, harming competitiveness in the market'.

236. Key inputs to the steel industry are provided and controlled by the state given that the China Mineral Resources Group (CMRG), a purchaser of raw materials for the steel industry, is an SOE.[118] Established in 2022 with capital of $3 billion USD[119] [120], the CMRG was founded with the purpose of purchasing raw materials for steelmakers in the PRC, giving the GoC increased bargaining power over pricing.[121] In 2022, a drop in coal and steel prices were attributed to government measures by a senior statistician at China's National Bureau of Statistics (NBS).[122] Specific carve outs of an import ban on solid waste were made for recycling iron and steel,[123] aligning with other actions to work towards a dual-circulation approach to securing raw materials for the steel industry.[124]

237. We have identified that the coal industry has received significant subsidies and support for several decades.[125] The historic and ongoing support has ensured that coal production in the PRC rose by 214% between 2000-2022.[126] The PRC has persistently high volumes of coal production which has a downward pressure upon coal prices resulting in import controls for coal during periods of significant price instability.[127] The increases in production was supported by factors such as subsidies provided by the GoC for coal production[128] and structural incentives to increase supply, such from purchase guarantees. Coal overproduction continues from "Zombie" companies, which are consistently loss-making companies that are reliant on loans from state-owned banks to remain operational, which enjoy similar favourable loans and financing to the steel industry itself.[129]

[116] TRA Investigations - Trade Remedies Service - GOV.UK (trade-remedies.service.gov.uk), accessed 04/03/2025
[117] Competitive Neutrality of State-owned Enterprises in China's Steel Industry: Causal Inference on the Impacts of Subsidies (rieti.go.jp), accessed 04/03/2025
[118] China Mineral Resources Group Co., Ltd. – Who we are, accessed 02/06/2025
[119] Rio Tinto CEO meets top executives at new Chinese ore-buying company | Reuters, accessed 20/03/2025
[120] China's new state-run agency to start iron ore purchases, accessed 21/03/2025
[121] Steel Stocks, Mining Giants React As China Iron Ore Consortium Enters Market, accessed 21/03/2025
[122] China's producer price growth eases in January, accessed 22/05/2025
[123] China to allow steel material imports from 2021, accessed 23/05/2025
[124] Dual-circulation to help secure raw materials for steel industry, accessed 22/05/2025
[125] Subsidies to Coal Power Generation in China, accessed 24/05/2025
[126] China - Countries & Regions - IEA, accessed 27/05/2025
[127] China's glut of coal locks market in vicious cycle of decline - MINING.COM accessed 23/05/2025
[128] Who benefits from China's coal subsidy policies? A computable partial equilibrium analysis
[129] Subsidies to Coal Power Generation in China, accessed 23/05/2025

238. Commentators such as the Financial Advisor online magazine state that the CMRG was launched to allow the state to "*strengthen its price control capacity*"[130] and Australian law firm Clayton Utz comments that the CMRG was established to tighten "*control over the global steel market*".[131]

239. The TRA has found evidence that the GoC strategically puts measures in place or removes measures to control the steel production. For example, adjusting export tariffs for steel inputs such as pig iron and the adjustment of VAT rebates for exports of certain steel products.[132] [133] [134] These changes make exporting steel products like HRFC less attractive to steel producers which lowers the prices paid by domestic industries, such as the Tin Mill Product market, which use iron and steel products as a raw material input. Overall, these changes demonstrate the high level of control the GoC has over the steel industry with commentators stating that these non-commercial distortions have led to significant steel overcapacity globally.[135]

240. The European Commission's working document on significant distortions in the PRC highlighted how export restrictions for various raw materials within the process means that the PRC's steel industry has advantageous access to these materials.[136] For example, Coke and Coking Coal both have licencing requirements that disincentivise export, drive up supply in the PRC domestic market, and result in lower raw material costs for steel products.[137]

G2.1.2.8 Conclusions concerning the existence of a PMS

241. In conclusion, we have found that the PRC economy systematically distorts prices in its domestic market due to widespread state support and central industrial planning, as well as the state-ownership of key aspects of the Chinese economy. We have also found that the price of finance, land, labour, energy, and raw materials used to produce Tin Mill Products in the PRC are influenced by non-commercial factors such as public policy, state-funded subsidies and investment, and targeted industrial planning which explicitly encourages certain industries at the expense of others.

242. Based on the evidence provided by the Applicant and case-specific research, the TRA considers there to be sufficient evidence to conclude that the price of Tin Mill Products reflects non-commercial factors in accordance with regulation 7(4)(c) of the Regulations. We have therefore concluded that a PMS exists in the PRC in respect to the Tin Mill Product industry.

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[130] Beijing Seeks To Reduce Iron Ore Price Volatility For Its Steelmakers Through Market Restructuring (fa-mag.com), accessed 19/03/2025
[131] China establishes mineral resources group to centralise iron ore purchasing, accessed 21/03/2025
[132] China cancelled export VAT refund for a wide range of iron and steel products (cuatrecasas.com), accessed 21/03/2025
[133] China raises export tariffs for some steel products again in green push | Reuters, accessed 21/03/2025
[134] China raises steel export tax to boost domestic supply | Latest Market News (argusmedia.com), accessed 21/03/2025
[135] Steel Overcapacity and the Global Trading System by Sherzod Shadikhodjaev: SSRN, accessed 12/03/2025
[136] Register of Commission Documents - SWD(2024)91, accessed 20/05/2025
[137] Trade in Raw Materials - 2025 Edition | Compare your country, accessed 20/05/2025

G2.1.3 Proper comparison

243. The TRA has determined that the prevailing conditions of competition differ between the UK market and the PRC domestic market for Tin Mill Products due to the PMS identified in section G2.1.2 Assessing the existence of a PMS.

244. The TRA considered whether the PMS in the PRC Tin Mill Product market prevents a proper comparison between the like goods in the PRC and the goods concerned for the purpose of regulation 7(2)(b) of the Regulations.

245. The import and export levels of Tin Mill Products in the PRC and the UK differs significantly. In the UK market there is a relatively large amount of competition through imports. Using data from the Applicant and HMRC import data, we have determined that there was significant import penetration in the UK during the POI. Comparatively, Global Trade Tracker (GTT) data shows that only 2.02% of the total trade in the PRC of the Harmonised System (HS) at the 6-digit level, inclusive of the like goods during the POI were imports.[138]

246. This indicates that PRC exports in the UK must compete at internationally competitive prices with competition from both domestic UK and international producers, whereas domestic sales prices in the PRC compete primarily with other domestic producers of the like goods which are affected by the same PMS that exists in the Tin Mill Product market.

247. We have concluded that the PMS in relation to Tin Mill Products prevents the proper comparison between the export price and the domestic sales price of PRC exporters of the goods concerned due to the differences in the composition of competition and level of import penetration between the UK and the PRC. It is therefore not possible to make a proper comparison between the PRC domestic price and export price.

248. The Shougang Group provided a comment to the SEF alleging that the TRA did not examine the effect of PMS on the price of products exported from the PRC and therefore should not conclude that the PMS prevents a proper comparison. The TRA maintains that by considering the import penetration of the PRC domestic and UK market for Tin Mill Products it has considered the relative effect the PMS impact on price of PRC exports to the UK and PRC domestic prices. The TRA therefore maintains its position that the PMS in the PRC Tin Mill Product industry prevents a proper comparison.

G2.2 Constructed normal value

249. As noted above, the TRA has determined that it is not appropriate to use the comparable price of the like goods in the PRC to calculate the normal value, in accordance with regulation 7(2)(b) of the Regulations. Consequently, the TRA has used an alternative method to calculate the normal value.

[138] Global Trade Tracker, Analytics, country level trade flows, The People's Republic of China, codes 721012, 721050, 721250, 721070, 721210, 721230, 721240, accessed 06/03/2025

250. The TRA has constructed the normal value of the goods in accordance with regulation 8(1)(a) of the Regulations, by determining the costs of production, adjusted to account for artificially low costs, plus a reasonable amount for AS&G costs and for profits, in accordance with regulations 11, 12 and 13 of the Regulations.

G2.2.1 Costs of production

251. Where the TRA determines the costs of production for the purposes of regulation 8(1)(a) of the Regulations, it must do so in accordance with regulation 11 of the Regulations.

252. Regulation 11(2) of the Regulations states that, where regulation 11(3) of the Regulations applies, the TRA must normally calculate the costs of production of the like goods on the basis of records kept by the overseas exporter.

253. Regulation 11(3) of the Regulations applies where the records of the overseas exporter of the goods concerned are in accordance with the Generally Accepted Accounting Principles (GAAP) of the exporting country or territory and reasonably reflect the costs associated with the production and sale of the like goods in the exporting country or territory.

254. The verification process identified that the records of the Shougang Group meet these requirements, so we are satisfied that regulation 11(3) of the Regulations applies.

255. The TRA has assessed that, due to the PMS in the market for Tin Mill Products, the costs of production are unrepresentative because they do not reasonably reflect the Shougang Group's production costs in a market if those costs and profits were substantially determined by market forces. Regulation 13(3) of the Regulations therefore applies, and the TRA has adjusted the exporter's costs of production in accordance with Regulations 11(6) and 13 of the Regulations.

256. Section G2.1.2 has identified that there is a PMS affecting the following costs of production:
    - Raw materials;
    - Energy; and
    - Direct and indirect labour

257. We have assessed suitable PMS adjustments in sections G2.3.1 Raw Materials, G2.3.2 Energy, and G2.3.3 Labour in accordance with regulations 11(6) and 13 of the Regulations.

G2.2.2 Administrative, selling, and general costs

258. Where the TRA determines a reasonable amount for AS&G costs for the purposes of regulation 8(1)(a) of the Regulations, it must do so in accordance with regulation 12 of the Regulations.

259. Regulation 12(2) of the Regulations sets out that, subject to regulation 12(3) of the Regulations, the TRA must determine reasonable amounts for the AS&G costs based on the actual data pertaining to the production and sales by the overseas exporter of

the like goods, in the ordinary course of trade, in the domestic market of the exporting country or territory.

260. Only one PCN was sold within the ordinary course of trade during the POI. We have therefore used the per unit AS&G cost of profitable sales to determine the AS&G cost of the like goods sold in the domestic market on a weighted average basis during the POI, in accordance with regulation 12(2).

261. Section G2.1.2 has identified that there is a PMS affecting the following AS&G costs:
    - Non-production labour
    - Finance

262. We have assessed suitable PMS adjustments in sections G2.3.3 Labour and G2.3.4 Finance in accordance with regulations 12(4) and 13 of the Regulations.

G2.2.3 Reasonable level of profits

263. Where the TRA determines a reasonable amount for profits for the purposes of regulation 8(1)(a) of the Regulations, it must do so in accordance with regulation 12 of the Regulations.

264. Regulation 12(2) of the Regulations sets out that, subject to regulation 12(3) of the Regulations, the TRA must determine a reasonable amount for profits based on the actual data pertaining to the production and sales by the overseas exporter of the like goods, in the ordinary course of trade, in the domestic market of the exporting country or territory.

265. Only one PCN was sold within the ordinary course of trade during the POI. We have therefore used profitable sales of this PCN to determine a reasonable level of profit, in accordance with regulation 12(2) of the Regulations.

266. We identified that there were sales within the ordinary course of trade at a significantly lower profit margin than the Shougang Group earned during the injury period. We therefore applied a test to remove profits margins that were lower than half the average profit of the like goods during the injury period from the calculation of the reasonable level of profit. Once this test was applied, we used the weighted average profit margin of all remaining profitable sales of the like goods in the exporters domestic market during the POI, in accordance with regulation 12(2) of the Regulations.

G2.3 PMS adjustments

267. Following its assessment of initial claims regarding the presence of a PMS and the receipt of questionnaire responses from interested parties and contributors, the TRA considered an appropriate benchmark country that could be used if it was determined that a PMS existed in the PRC that prevented a comparison between the domestic and export prices of the goods.

268. The TRA assessed several countries for suitability as a benchmark for the PRC Tin Mill Product industry. The holistic assessment of the relevant factors led to the

selection of Brazil as a suitable benchmark country, which could be used if it was determined that a PMS existed in the PRC that prevented a proper comparison.

269. The TRA published a note to the public file on 21 November 2024 stating that we were considering Brazil as a potentially appropriate third country benchmark country.[139] Interested parties were given a period of 14 calendar days to provide comments on the proposed benchmark country.

270. We did not receive any submissions from interested parties concerning this request for comment and we published a note to the public file on 6 December 2024, confirming that the selected benchmark country would be Brazil.[140]

271. The TRA invited producers of Tin Mill Products in Brazil to participate in the investigation, but none came forward before the registration deadline of 20 December 2024. We have therefore used facts available from secondary sources in place of submitted information from the benchmark country, in accordance with regulation 47 of the Regulations.

272. In accordance with regulations 11(6) and 12(4) of the Regulations, the TRA may make adjustments to costs of production or AS&G costs in accordance with regulation 13 of the Regulations.

273. The TRA may make adjustments where regulation 13(3) of the Regulation applies, and for the purpose of regulation 13(2) of the Regulations. The purpose of making adjustments is to calculate exporter costs in the PRC if costs were substantially determined by market forces.

274. The TRA has determined that the following costs are unrepresentative as they reflect non-commercial factors, as determined in section G2.1.3 and are material to the cost to make. It is therefore necessary to assess whether each cost would be materially different if determined by free market forces. The table below shows the materiality of each PMS cost factor relative to the cost to make or AS&G; demonstrating that these PMS cost factors are material.

Table G2: Materiality of PMS cost factors

Cost	Proportion of cost to make or AS&G
Raw Materials	50-70%
Energy	4-6%
Labour	4-6%
Finance	25-35%

G2.3.1 Raw materials

275. The raw material costs submitted by the Shougang Group were compared with Brazilian benchmarks. These benchmark costs were identified using S&P Global

[139] Note to file - Proposed appropriate representative third country, accessed 09/06/2025
[140] Pre-Sampling Questionnaire (Third Country Producers), AD0062 Note to Public File - Third Country Producer Registration.pdf, accessed 09/06/2025

commodity price assessments[141] and GTT HS 6-digit code total trade data[142] depending on data availability. The benchmarks from S&P Global were selected based on commodity description and the GTT benchmarks were selected based on relevant commodity codes submitted by the Shougang Group or based on facts available where this was not provided. The benchmarks were based on average price across the POI.

276. The average percentage difference between the per unit cost of submitted raw material costs and the relevant benchmark was used to adjust the raw material costs of the Shougang Group. These adjustments were made to reasonably reflect the relevant costs in a market that has costs determined by market forces.

277. The TRA considered whether adjustments to the Brazilian benchmark data were needed to ensure that the benchmarks are as representative as possible to the raw material costs reported by the exporter. We determined that the benchmark costs included a mix of products beyond those used by the Shougang Group to produce Tin Mill Products. To ensure a fair comparison, we applied an adjustment to the benchmark based on the average percentage difference between the per unit cost in the PRC and Brazil of the same commodity description or HS 6-digit code product as found on S&P Global or GTT.

278. The TRA identified that the source country for several raw material purchases was not the PRC. As a PMS has not been found in relation to these other countries of origin, we should not apply a PMS adjustment on these costs. Therefore, all PMS calculations only considered raw material purchases with the source country of the PRC, and PMS adjustments for each raw material were adjusted by the ratio of raw material cost sourced from the PRC relative to each raw material's total cost.

279. For the Shougang Group, certain costs of raw materials were found to be artificially low relative to the third country benchmark cost. Where it was found that the price of raw materials was artificially low, we have made adjustments to relevant raw material costs in accordance with regulation 13 of the Regulations.

G2.3.2 Energy

280. The electricity costs submitted by the Shougang Group were compared with a relevant Brazilian benchmark. The benchmark cost we have used in the dumping calculation is from the Brazilian Department of Mines and Energy monthly energy bulletin May 2024 edition which states the price of industrial electricity in Brazil in January 2024.[143]

281. The TRA have considered the difference between the cost of purchased electricity and the total cost of energy as reported in the Shougang Jingtang submission. Using information provided to the TRA during the verification process, we have determined that the cost of energy submitted by Shougang Jingtang included component costs

[141] Platts Connect: S&P Global Commodity Index Metals/Ferrous Metals, accessed 03/03/2025
[142] Global Trade Tracker Analytics, Country Level Tradeflows, accessed 03/03/2025
[143] Brazilian Monthly Energy Bulletin - January 2024 v2, May 2024 edition, accessed 03/03/2025

that did not include electricity. We have therefore made the PMS energy adjustment proportional to the ratio of energy costs that included electricity.

282. The TRA have also compared the benchmark price of industrial electricity to the cost of self-generated electricity in the Shougang Jingtang submission[144], which consists of the cost of steam coal and self-generated electricity charges. This comparison showed that self-generated electricity costs incurred by the Shougang Group were artificially low relative to the third country benchmark for industrial electricity, so we have made adjustments to these costs in accordance with regulation 13 of the Regulations.

G2.3.3 Labour

283. The labour cost data submitted by the Shougang Group was compared with a relevant Brazilian benchmark.

284. The average wage of a Shougang Jingtang employee that worked within relevant steel producing roles was higher than the ILO benchmark cost in Brazil. The TRA have therefore concluded that labour costs in the PRC are not artificially low relative to the benchmark country of Brazil in this investigation, despite the non-commercial factors present in the PRC labour market, so no adjustment to labour costs have been applied.

G2.3.4 Finance

285. The finance cost data submitted by the Shougang Group was compared to a suitable Brazilian benchmark cost for finance. The selected benchmark cost was based upon the average daily Brazilian Selic interest rate during the POI, which was 12.70%.[145] This rate was selected as Brazil has been selected as a suitable benchmark country for the reasons outlined in section G2.3, and the Selic rate influences the interest rates of loans, financing and investment in Brazil, and is used by the central bank of Brazil as its main monetary policy instrument.

286. The TRA compared this benchmark to the cost of finance incurred by Shougang Jingtang in the POI. The exporter provided the start date, repayable date, and the interest rate charged on each finance product which allowed us to calculate the total cost of each loan throughout the POI on the basis of monthly cost accruals.

287. The TRA then calculated the PMS benchmark adjustment for finance by calculating the ratio of the reported cost of all loans with the cost that would have been incurred if the average daily Selic rate during the POI was applied to each loan based on the specific conditions of finance acquired by the Shougang Group acquired during the POI.

[144] Shougang Jingtang questionnaire submission - Annexes D10 of Annex II and PMS annex 2 of Annex III, accessed 16/06/2025
[145] Selic interest rate, Banco Central do Brasil, CSV extract for April 2023 to March 2024, accessed 03/03/2025

288. The benchmark cost was higher than the cost calculated using the interest rates submitted by the Shougang Group, so we have adjusted the finance costs it incurred in accordance with regulation 13 of the Regulations.

G3 Export price

289. In accordance with regulation 15(1) of the Regulations, the export price is the price the goods concerned are sold for, or the agreed price at which they are to be sold, to either an importer in the UK or a third party outside of the UK for export to the UK.

290. The TRA has determined the export price based on the agreed price at which the goods concerned were sold to an importer in the UK in accordance with regulation 15(1)(a) of the Regulations.

G4 Fair comparison

291. To ensure a fair comparison, the normal value and export price need to be compared at the same level of trade; normally on an ex-factory level and in respect of sales made as near as possible the same time, in accordance with regulation 16(1) of the Regulations.

292. In accordance with regulation 16(2) of the Regulations the TRA may make adjustments for any differences which affect price comparability including differences relating to:
    a) conditions and terms of sale
    b) taxation
    c) levels of trade
    d) quantities
    e) physical adjustments.

293. The Shougang Group reported fair comparison adjustments to its sales data, specifically domestic freight costs that has been used to adjust export price to ex-works level.

294. The TRA has used constructed normal value to determine the dumping amount for all PCNs, in accordance with regulation 7(2)(b) of the Regulations. As the constructed normal value has been calculated at an ex-works level, no adjustments for conditions and terms of sale, taxation, quantities, or physical characteristics were determined to be necessary to ensure a fair comparison.

295. The TRA considered whether constructed normal value should be adjusted for level of trade, as the reasonable profit margin could have been influenced by an imbalance in the level of trade. We determined that it was not possible to construct a level of trade adjustment in this investigation, so a level of trade adjustment to constructed normal value has not been applied.

G5 Dumping margin

296. In accordance with regulation 17(1)(a) of the Regulations, the TRA compared a weighted average normal value with a weighted average export price of all comparable export transactions to calculate the dumping margin for each overseas exporter.

297. Where the TRA has limited its examination of overseas exporters under regulations 56 or 57 of the Regulations, it must determine an anti-dumping amount for non-sampled overseas exporters, in accordance with regulation 37(2) of the Regulations. In this case there were no non-sampled cooperating exporters or producers.

298. For all other overseas exporters of the like goods, in accordance with regulation 38 of the Regulations, the TRA determined a residual amount which has been determined by using HMRC Overseas Trade in Goods Statistics.

299. The 8-digit data was used to construct an export price based on the lowest weighted average price of any commodity code within the scope of this investigation. This price was then adjusted by the average price difference between CIF and ex-works adjusted export price determined for the cooperating exporter to construct an ex-works export price, as HMRC data is reported at the CIF incoterm. This constructed export price was then used with the weighted average constructed normal value, quantity, and CIF export price for all PCNs exported as determined by the exporter data to create the residual dumping rate.

300. The dumping margins are shown in table G3 below:

Table G3: Dumping margins		
Country	**Overseas exporter/producer**	**Dumping margin (%)**
PRC	Shougang Group	27.85%
PRC	All other overseas exporters (residual rate)	49.98%

Section H: Injury

301. Injury is the term used when there is evidence of a UK industry being harmed by dumped goods. Paragraph 5 of Schedule 4 to the Act defines 'injury' to a UK industry in particular goods as:
    a) material injury, or the threat of material injury, to the industry, or
    b) material retardation of the establishment of the industry.

302. In accordance with regulation 27(2) of the Regulations, as the TRA has determined that goods have been or are being dumped into the United Kingdom, it must determine whether:
    a) UK industry has suffered or is suffering injury in accordance with regulation 30 of the Regulations (determination of injury); and
    b) the dumped goods have caused or are causing that injury to that UK industry.

303. To determine whether a UK industry is suffering or has suffered injury from imports of the goods concerned, in line with regulation 30 of the Regulations, the TRA has examined four factors:
    a) the volume of the dumped goods during the injury period;
    b) the effect of the imports on prices in the UK market for like goods during the injury period;
    c) the consequent impact of the dumped goods on UK industry during the injury period;
    d) any other factors it considers relevant.

304. To determine whether the dumped goods have caused or are causing injury to UK industry, in line with regulation 35 of the Regulations, the TRA has also examined whether any known factors other than the dumped goods (other known factors) have caused or are causing injury to a UK industry. The TRA considered the following factors:
    a) The safeguard measure on certain steel products;
    b) fall in domestic demand;
    c) increasing costs of raw materials; and
    d) third country imports and prices.

H1 Injury analysis

H1.1 Disrupted phase

305. In its application to the investigation, the UK industry indicated that due to the circumstances of the Covid-19 pandemic and related restrictions and activities in the PRC, exports from the PRC were meaningfully impacted for a 'Phase'[146].

306. This phase covers most of the calendar year of 2021, and so directly features most in the IP (1 April 2020 – 31 March 2022). The imbalance phase has a ripple effect over the following years and can be seen in the data at various points, some later than others and explains multiple points of variation and will be referenced as the 'disrupted phase' where relevant.

[146] AD0062 Public File - TSUK Non-Confidential Application, p.46

307. A review of HMRC UK trade information and confidential 10-digit customs declaration data demonstrates that during this disrupted phase, the import sales price of the goods concerned from the PRC was on par with, or in excess of, the import sales price of the like goods from other countries. Notably, 2022 was a significant high point in the PRC import price.

308. The UK industry argued that the reason for this significant and noticeable increase in the PRC sales price was that *"the COVID crisis resulted in significant global supply chain constraints, with decreased ocean schedule reliability and longer delivery times, which made it difficult to timely import cheap steel from China..."*[147]

309. Furthermore, the UK industry stated that *"the increase in profitability in 2022 was due to the supply-demand market imbalance caused by COVID and the temporary drop in imports from China during 2021."*[148]

310. A review of the HMRC UK trade information and confidential 10-digit customs declaration data does not show a significant drop in imports from the PRC in terms of volume, value, or market share. This is explored in detail in later sections.

311. However, HMRC UK trade information and confidential 10-digit customs declaration data has been used to assess the trend of the price of imports of the goods concerned from the PRC, and that trend indicates that 2022 is an outlier. This disruption manifests in the various economic factors at different times as its impacts pass through the industry.

H1.2 Volume of dumped goods

312. In accordance with regulation 31 of the Regulations, when determining whether the UK Industry is suffering injury, the TRA has considered where there has been a significant increase in the dumped goods in the UK either in absolute terms (the volume of dumped goods being imported into the UK market) or relative to domestic production or consumption.

313. To calculate the relative and absolute volumes, we calculated the size of UK consumption to gauge the total size of the market for like goods within the UK over the IP. This has been done by combining 10-digit customs declaration data obtained from HMRC with the figures from UK industry. As assessed during verification, we have reasonable assurance regarding the figures provided by the UK industry[149] and HMRC data is regarded as accurate and sufficient for all reasonable standards.

H1.2.1 Volume of dumped goods in absolute terms

314. The TRA has assessed absolute changes in the total volume of imports of the goods concerned imported into the UK from the PRC, using HMRC UK trade information and confidential 10-digit HMRC customs declarations data, along with confidential PSQ data.

[147] AD0062 Public File - TSUK Non-Confidential Application, p.47
[148] AD0062 Public File - TSUK Non-Confidential Application, p.39
[149] AD0062 Public File - TSUK Non-Confidential Verification Report

Table H1: Volumes of Imports of Like Goods (PRC, total, PRC as a % of total)				
Year	2021	2022	2023	2024
Volume of goods concerned from PRC (indexed)	100	117	94	116
Total Market (indexed)	100	121	105	90

Source: Raw HMRC customs declaration data with 10-digit commodity code, Questionnaire responses.

315. The volume of the goods overall has significantly changed in absolute terms. PRC imports have varied in line with the pattern in the overall market, with an overall significant rise of 16% over the course of the IP. This is despite the overall market size decreasing in this timeframe.

H1.2.2 Volume of dumped goods relative to domestic production

316. The volume of goods concerned imported into the UK from the PRC relative to domestic production is as follows:

Table H2: Volume of like goods relative to UK production				
Year	2021	2022	2023	2024
Volume of goods concerned from PRC (indexed)	100	117	94	116
UK production for domestic use (indexed)	100	99	81	73
PRC imports as a % of UK production for domestic use (indexed)	100	119	117	158

Source: Raw HMRC customs declaration data with 10-digit commodity code, Questionnaire responses.

317. Over the IP there was a relative rise in PRC imports as a percent of UK production for UK domestic use of 58%. This rise was driven by a 16% increase in PRC imports, combined with a 27% drop in UK production.

318. This relative increase of 58% is a significant increase as PRC imports has gained steady ground against UK production even through a period where PRC imports were specifically disrupted.

H1.2.3 Volume of dumped goods relative to domestic consumption

319. Domestic consumption was calculated by combining HMRC import data and the volumes produced by the UK industry for domestic consumption.

Table H3: Volume of dumped goods relative to domestic consumption				
Year	2021	2022	2023	2024
Volume of goods concerned from PRC (indexed)	100	117	94	116
UK production for domestic use (indexed)	100	99	81	73
Total Market (indexed)	100	121	105	90
PRC import market share (indexed)	100	97	90	129
UK industry market share (indexed)	100	82	77	82

Source: Raw HMRC customs declaration data with 10-digit commodity code, Questionnaire responses.

320. Over the whole POI, PRC market share within the UK market has increased by 29% relative to its initial position. This is over a period where there has been a PRC specific disrupted phase and a general decrease in the overall market size. Despite these factors, PRC market share has continued to increase.

321. This is a significant relative increase, increasing its market share in an otherwise adverse market.

H1.3 Effect of dumped goods concerned on prices

322. In accordance with regulation 32 of the Regulations, to assess the effect of the dumped goods on prices of the like goods in the UK during the IP, the TRA has considered whether:
    a) there has been significant price undercutting by the dumped goods as compared with the price of the like goods produced in the UK; or
    b) the dumped goods have depressed or suppressed domestic prices of the like goods produced in the UK to a significant degree.

H1.3.1 Price undercutting

323. Price undercutting is where the imported goods are consistently sold at a price below that of the like goods in the UK.

324. An undercutting margin is calculated by comparing the landed price of the goods concerned, comprising the CIF import price of the goods concerned, customs duties, and relevant post-importation costs (such as customs clearance fees and handling costs), and the average domestic sales price of the like goods (ex-works).

325. An undercutting margin (%) reflects the extent to which landed prices of the imported goods concerned are lower than the UK sales prices of the like goods.

326. The undercutting margin calculated for the goods concerned was calculated based on the sales data provided by the exporter, and the sales data provided by the UK industry. Bank of England figures were used for conversion rates. No adjustments were made to either the landed price or the UK sales price, and actual prices were used in all instances.

327. The calculated overall undercutting margin is 25.8% for the POI, and there was undercutting across all PCNs that matched with those produced by the UK industry.

328. Using HMRC commodity code data and UK industry sales data, we produced proxy data for the IP. The data showed us that, in accordance with regulation 32(a) of the Regulations, there has been significant price undercutting by the dumped goods as compared with the price of the like goods produced in the UK.

H1.3.2 Price depression

329. Price depression occurs when the UK industry is forced to reduce its domestic prices to compete against lower priced dumped goods.

330. We compared the average domestic price of the UK industry like goods to the average import price of the goods concerned from the PRC to establish whether there was price depression during the IP.

331. PRC unit price as a percentage of the UK industry unit price saw an indexed decrease of 22% over the whole of the IP. It began with a relative rise in cost in 2022, and then a relative decrease for the rest of the IP between 2022 and 2024.

332. UK prices did increase overall between 2021 and 2024. However, as indicated in H1.1 Disrupted Phase, the lag period between market condition and impacts manifesting in the economic impacts means that the result of the undercutting would be expected to manifest within a timeframe after the undercutting took place: UK prices did in fact drop in this expected timeframe.

Table H4: Sales Prices: UK, PRC, PRC as a % of UK				
Year	**2021**	**2022**	**2023**	**2024**
UK sales price (indexed)	100	122	176	163
PRC Imports sales price (indexed)	100	163	170	128
PRC unit price as a % of UK industry unit price (Indexed)	100	134	96	78

Source: Raw HMRC customs declaration data with 10-digit commodity code, Questionnaire responses.

333. Price depression does not need to occur over the whole IP or consistently over the IP in order to be considered significant. The drop in the UK sales price between 2023 and 2024 is indexed over the whole IP as a 13% drop and represents a drop of 7.33% specifically from the level seen in 2023 to that of 2024.

334. The dumped goods depressed domestic prices of the like goods produced in the UK to a significant degree by reducing them to an unprofitable level (see H1.4.2 Profit).

H1.3.3 Price suppression

335. Price suppression occurs where price increases for the like goods, which otherwise would have occurred, have been prevented to a significant degree due to the price of the goods concerned.

336. To assess whether there was any evidence of price suppression, we examined changes to domestic sales prices and changes to the costs of production for the like goods produced in the UK during the IP.

337. When PRC import prices increased in 2022, the price of the like goods also increased, which allowed the costs of production to be absorbed in the price, facilitating profit in the UK industry (manifesting in 2023).

338. The case team does not have detailed Cost of Goods Sold data beyond the POI; however, in its application the UK industry demonstrated that costs have been consistently rising since at least 2020.[150]

339. As Table H4 above demonstrates, the UK industry's sales price decreased between 2023 and 2024, following the significant decrease in the PRC import price of the goods concerned – despite increases in the costs of production. Therefore, we conclude that imports from the PRC have had a suppressive effect to a significant

[150] AD0062 Public File - TSUK Non-Confidential Application, p.47, accessed 24/03/2025

degree upon the price of like goods by preventing the price being raised to reach a reasonable profit margin.

H1.4 Impact of dumped goods concerned on UK industry during the injury period

340. In considering, for the purpose of regulation 33 of the Regulations, the impact of the dumped goods on the UK industry, the TRA must take into account all relevant economic factors and indices having a bearing on the UK industry including:
   a) actual and potential decline in sales, profits, output, market share, productivity, return on investments, or utilisation of capacity;
   b) factors affecting domestic prices of the like goods;
   c) the magnitude of the margin of dumping;
   d) actual and potential negative effects on cash flow, inventories, employment, wages, growth, the ability to raise capital or investments.

H1.4.1 Sales

341. The TRA assessed the changes in the volume and the value of the UK industry's sales during the IP. This includes both domestic and export sales. A review of sales shows two diverging trends: a decrease in volume, and a rise in value.

Table H5: UK industry Domestic Sales Volume vs Domestic Sales Value				
Year	2021	2022	2023	2024
Domestic sales volume (Indexed)	100	99	81	73
Domestic sales value (Indexed)	100	121	142	119

Source: Questionnaire responses.

342. As table H5 shows, domestic sales volume has decreased each year since 2021. Exported sales followed a similar trend for the first three years of the IP, but in the year ending March 2024 there was a sharp increase in export volume, against a sharper decline in domestic volume. The divergence in volume and value is due to the large spike in sales price over the IP, as shown in table H6. This rise was seen for all sources of the goods, including the like goods and the goods concerned.

Table H6 Unit Price: UK, All Imports, All Sources (UK and Imports).				
Year	2021	2022	2023	2024
UK sales price (indexed)	100	122	176	163
All Imports sales price (indexed)	100	145	192	153
All sources sales price (indexed)	100	128	180	161

Source: Raw HMRC customs declaration data with 10-digit commodity code, Questionnaire responses.

343. This increase in exports meant that overall output by volume only dropped to 81% in 2024 relative to 2021, disguising a decline of domestic sales volume.

344. Both export and domestic sales followed broadly similar trends for the first three years of the IP. Reviewed in context with profit (explored in depth in H1.4.2 Profit), and the disrupted phase of PRC imports, this aligns with the intensification of undercutting margins and the alleged diversion to the UK market following action against PRC imports in other markets.

345. Sales value (£) has increased over the period, but this timespan includes a period of significant inflation and rising costs – raw material and energy inputs – tied to various factors – the COVID-19 pandemic, global supply chain issues. HMRC 10-digit customs declarations data shows that the unit price (£/kg) for all measured countries spiked significantly within the space of two years, aligning with the increase in turnover related to the like goods. Table H6 demonstrates that similar price increases were seen from all producers and exporters.

346. UK industry indicated in its application that following investigations by Brazil[151], the EU[152] and the USA[153] concerning Tin Mill Products, dumped goods are being diverted to the UK and are causing the market to become distorted.[154]

347. The considerable rise in sales price means that sales value increased, but this increase in value is no positive indication of a healthy industry; rather it is the manifestation of steeply rising input costs being passed – in part but not wholly – to consumers.

348. Overall, the reduction in the total market size is likely to be the principal driving force in the decline in volume. Some sales will have been lost due to the increasing market share of PRC imports.

H1.4.2 Profit

349. As previously mentioned, and shown in Table H7, UK Tin Mill industry net operating profit (NOPAT) was negative in all but one of the years of the IP. During this period of Tin Mill specific loss, UK industry reported that its whole company was operating with a positive net operating profit.

Table H7: UK industry Domestic NOPAT				
Year	**2021**	**2022**	**2023**	**2024**
Net operating profit after tax (NOPAT) from like goods (Indexed)	**(100)**	**(1667)**	**3203**	**(1635)**
Average net operating profit after tax (NOPAT) margin of like goods (Indexed)	**(100)**	**(1383)**	**2250**	**(1372)**

Source: Questionnaire responses.

350. The year of profit (ending 2023) is a result of contracts negotiated in late 2021 and early 2022. The sole UK producer, TSUK, indicated that the industry norm is for prices to be negotiated on an annual basis, and that that the market conditions created by the PRC's disrupted phase allowed them to negotiate relatively strong contracts for 2023 based on the conditions of the disrupted phase. These contracts were able to

[151] Public Notice by the Government of Brazil, initiating anti-dumping investigation into products from the PRC
[152] European Commission Trade Defence - C/2024/3112 Notice of Initiation of an Anti-Dumping Investigation
[153] US Department of Commerce initiates Anti-Dumping Investigation into Tin Mill Products
[154] AD0062 Public File - TSUK Non-Confidential Application, p.64

adjust prices to match the true costs of inputs and explains why they were able to earn a profit on this year, but not in other years.

351. In the application, the UK industry stated: *"In 2022, profitability improved solely due to the market imbalance that occurred following COVID where demand largely surpassed supply. The COVID crisis resulted in significant global supply chain constraints, with decreased ocean schedule reliability and longer delivery times, which made it difficult to timely import cheap steel from China. Local demand also increased, with more people buying canned food and repainting their houses. Buyers feared insufficient supply at the end of 2021, when price negotiations for the year of 2022 took place, and were willing to pay higher prices and buy large volumes of British production to secure a steady supply."* [155]

352. This statement is supported by the evidence and rationale for the delay between the disrupted phase and the consequent profits in 2023. Due to the annual contract and negotiation standard employed by the industry, the impact of events in 2021 impact negotiations in late 2021/2022, which results in income for the year of 2023.

353. This pattern where the profitability of a year is highly dependent on the market conditions of the prior year, should be considered when reviewing profitability against other conditions.

354. Excepting for the impacts of the disrupted phase, UK Tin Mill industry operated at a loss.

H1.4.3 Output

355. Output by volume compared to output by value show a similar story to that of sales, with sales value increasing while sales volume decreases. Again, this can be attributed to the rapid increase of sales price driven by costs of production.

Table H8: Output by Volume vs Output by Value				
Year	**2021**	**2022**	**2023**	**2024**
Output by volume (Indexed)	**100**	**96**	**81**	**81**
Output by value (Indexed)	**100**	**119**	**129**	**132**

Source: Questionnaire responses.

356. Output by volume has declined over the previous four years. Though this appears to stabilise in 2024, as mentioned in the sales subsection it should be noted (Table H9) that the stabilisation of raw output disguises a divergence of Tin Mill produced for the domestic market and Tin Mill produced for export.

357. Output for domestic use continued to fall, while export volume has increased, as previously discussed during the sales section. This supports the claim by UK industry that the UK market is being specifically impacted.

[155] AD0062 Public File - TSUK Non-Confidential Application, p.47

Table H9: Output by volume, Export Volume, Domestic Volume				
Year	2021	2022	2023	2024
Output by volume (indexed)	100	96	81	81
Export volume (indexed)	100	92	82	90
Domestic volume (indexed)	100	99	81	73

Source: Questionnaire responses.

358. The decline in output varies between each year. The 18% drop in domestic volume production in 2023 could partially be attributed to the resumption of reliable low-cost PRC exports but is in line with the overall shrinkage in UK consumption at this time.

359. In 2024, output for export rebounded from its fall, while the volume of domestic production continued to fall, reaching 73% of its 2021 levels.

H1.4.4 Capacity

360. Output capacity has remained consistent with no variation each year. Capacity utilisation is thus always output relative to this figure, and the observations to be drawn from it mirror that of output: a steady decline, with an overall slow in the decline due to a resurgence of production for export.

361. It should be noted that the inflexibility of production capacity means that as utilisation falls the proportion of fixed costs borne by the UK producer increases, as there are ongoing costs associated with the maintenance of facilities regardless of utilisation. This reduces the benefits of economies of scale for UK industry.

H1.4.5 Stock Levels

362. Stock levels for UK industry show a diversion of value and tonnage, similar to other factors.

Table H10: Stock levels				
Year	2021	2022	2023	2024
Volume (Indexed)	100	69	76	86
Value (Indexed)	100	68	103	161

Source: Questionnaire responses.

363. Stock value increased by 61.4% between 2021 and 2024, while volume dropped by 14.4%, and was driven by the considerable increase in the price per unit of the like goods.

364. Stock volumes fluctuated, with an indexed drop from 100 to 69.3 between 2021 and 2022. This dip was the only year-on-year drop on stock levels.

H1.4.6 Market Share

365. UK industry market share has dropped by 20% over the course of the IP, with the largest fall being between 2021 and 2022. This could be related to post-COVID-19 pandemic import pattern changes, but also due to the large increase in the total market size meaning that imports from all countries increased. When the market contracted again, UK industry did not regain its market share.

Table H11: Market, UK Market Share, PRC Market Share				
Year	2021	2022	2023	2024
Total Market (indexed)	100	121	105	90
UK industry market share (indexed)	100	80	75	80
PRC import market share (indexed)	100	97	90	129

Source: Raw HMRC customs declaration data with 10-digit commodity code, Questionnaire responses.

H1.4.7 Productivity, Employment and Wages

366. Employment figures have fluctuated but not significantly, dipping in the immediate post-pandemic years before rising in 2024. Productivity – measured by the domestic industry in volume of like goods per employee – has dropped.

367. This could reflect the inflexibility of the capacity of the UK industry, as employment numbers are tied to total production capacity, not the utilisation of that capacity.

368. As with capacity in general, this means that as utilisation declines, the productivity will decline and the proportion of, and total amount of, the sales price reflecting employment figures will increase, further increasing the strain upon UK industry.

Table H12: UK industry employment and productivity figures				
Year	2021	2022	2023	2024
FTE for like goods (Indexed)	100	95	94	104
Average output in volume per FTE for like goods (Indexed)	100	100	86	78
Median wage for FTE engaged in activities related to the like goods (indexed)	100	109	106	108

Source: Questionnaire responses.

369. As highlighted in table H12 above, wages saw an increase over the IP, in line with expected rises for that period.

H1.4.8 Growth, investment, cash flow and ROI

370. UK industry indicated in its questionnaire that there were no major investments related to the like goods during the POI. UK industry was not able to separate or distinguish the cash flow, investment, or return on investment figures for the like goods and other goods, and so no conclusions can be drawn from the figures.

371. By no reasonable metric – investment, ROI, or capacity – can any indication of growth or injury to growth be inferred.

H1.4.9 Costs of production

372. Direct costs of production figures are not supplied for the entire injury period, only the POI. However, in its application the UK industry demonstrated that costs have been consistently rising since at least 2020.[156]

373. An imperfect proxy of the costs of production can be created using the unit price and profit margin, but this should be noted as deviating from the costs of production figures used elsewhere.

Table H13: Constructed costs of production				
Year	**2021**	**2022**	**2023**	**2024 (POI)**
Calculated costs of production (indexed)	100	122	182	164

Source: Questionnaire responses

374. Costs of production figures rose by 64% over the course of the injury period and peaked in 2023 at 82%.

H1.4.10 Magnitude of the actual margin of dumping

375. The actual margin of dumping is outlined in section G5 margin of dumping, and the dumping margins are displayed in table H14 below:

Table H14: Dumping Margins	
Overseas exporter/producer	**Dumping margin (%)**
Shougang Group	27.85%
All other overseas exporters (residual rate)	49.98%

376. The impact on UK industry by the actual margin of dumping, which is deemed significant, cannot be considered to be negligible given the volume and the prices of imports concerned.

H1.4.11 Summary of impact of dumped goods on UK industry

377. The UK industry alleged that Tin Mill Products from in the PRC are undercutting the prices of UK industry and preventing them from passing on the true costs of production to the consumers and thereby having to operate at a loss or lose further market share.

378. As noted in section H1.1 disrupted phase, due to industry practices regarding Tin Mill Product contract negotiations, we would expect to see a latent link between PRC imports undercutting the UK industry, and the impact on the UK industry's profitability. Our understanding of the market indicates that this lag would vary between 1-2 years depending on the economic factor.

379. This trend is apparent in the data provided by the UK industry. This data shows that the UK industry only turned a profit on the like goods in 2023, following the PRC

[156] AD0062 Public File - TSUK Non-Confidential Application, p.47

disrupted phase around 2022 and consequent contract negotiations in the UK. This is despite the price of the goods concerned from the PRC falling below the price of the like goods in 2023. The impact of this drop in sales price in 2023 will be felt through the financial year ending in 2025, due to the latent link described above.

380. Sales figures show that even as volume decreased, value spiked. This was in line with a global increase in costs – raw materials and energy – seen in other producers. HMRC data showed a similar increase in the unit price of like goods for all measured nations. This supports the claim that the cost of manufacturing has increased.

381. Market share figures show that the UK industry lost around 20% of its domestic market share across the IP, while the PRC import market share grew by 29%. This occurred in a period in which the total UK market for Tin Mill Products contracted by around 10%. This supports the claim by the UK industry that it had to cede profitability in order to maintain its market share.

382. The data and impact assessment of the various economic factors support the conclusion that there is a causal link between the dumped goods and the injury suffered by the UK industry for the like goods.

H1.5 Other factors considered relevant

H1.5.1 Impact of existing safeguard measure: tariff-rate quota (TRQ) on certain steel products

383. There is an existing safeguard measure applying to certain steel products[157]. This measure imposes duties on imports exceeding the quota volumes determined. This includes Tin Mill Products, all but one of which are in scope for the investigation. The goods considered for AD0062 are primarily covered under category 6, but also partially under categories 4, 5, and 7 of the safeguard measure.

384. Most imports from the PRC of the like goods fell under category 6, Tin Mill Products, in the safeguard reviews carried out by the TRA. In Category 6, goods from the PRC have a country specific quota.

385. The TRA conducted a comprehensive analysis of the quota utilisation for category 6 using HMRC 10-digit customs declarations data and the UK integrated Online Tariff.[158]

386. In no quarter or year do imports of the goods concerned from the PRC come close to fully utilising the PRC TRQ for Category 6 goods. Therefore, we do not believe that the existence of the TRQ on Category 6 goods had a significant impact on PRC imports of the goods concerned over the injury period, but it is possible that it is deterring PRC imports. This means that when the safeguard measure expires after 30 June 2026, the volume of imports – and likely the injury levels – may increase, should an anti-dumping measure not be in place.

[157] Trade Remedies Notice 2023/11: safeguard measure: tariff-rate quota on steel goods - GOV.UK
[158] UK Integrated Online Tariff: Look up commodity codes, duty and VAT rates - GOV.UK

H2 Causation and non-attribution

387. There is a causal link between the dumped goods and the injury to the UK industry shown in the various economic factors, as covered in section H1.4.11 Summary of impact of dumped goods on UK industry. The trends shown in the economic factors, especially profit, show injury, and the injury pattern fluctuates in a manner as expected when reviewing the pattern of imports from the PRC – a strong and timely coincidence.

388. In accordance with regulation 35 of the Regulations, injury caused by other known factors must not be attributed to dumped imports of the goods concerned. We considered whether any other known factors, other than dumped goods, caused or are causing injury to the UK industry.

389. The three principal factors considered under this section are:
- Fall in demand;
- Increasing costs of raw materials; and
- Third country imports and prices.

390. The impact of the COVID-19 pandemic and related issues are discussed in section H1.1 disrupted phase.

H2.1 Fall in demand

391. Demand for like goods slightly fell within the UK market over the IP. This is likely part of general trends of Tin Mill Products and can be attributed to other factors rather than the dumped goods.

392. The fall in domestic demand is a contributory factor to the trend reduction in terms of absolute output and volume during the IP, but does not exclusively explain all indicators of injury, such as those seen in profits.

393. The falling market demand is made more impactful for UK industry because it is compounding the injury caused by the dumping. PRC imports gained market share during this period, and PRC imports to the UK increased in absolute terms, despite the slight contraction in the market.

H2.2 Increasing cost of raw materials

394. Raw material costs have increased significantly over the IP and are the principal driver of the increase in the cost to make and sell Tin Mill Products.

395. The rising cost of raw materials did have negative impacts upon UK industry due to the increasing costs of production putting upwards pressure on prices. However, the price suppression effect of the PRC imports discussed in section H1.3.3 meant UK industry was unable to pass these cost increases on to consumers. Therefore, we have determined that the increasing costs of raw materials does not undermine the causation of injury link.

396. The period of the highest cost of raw materials is indicated to be the middle of the injury period, 2022/2023. This coincided with the peak of sales price for all sources – UK, PRC, and the rest of the world.

397. These costs explain the rising costs of production, but as shown by the profit figures for 2023, under the right market conditions the sales price can rise to a profitable level and allow for costs to be passed on.

H2.3 Third country imports and prices

398. HMRC 10-digit customs declarations data contained information on all other countries. Countries with less than 3% of total imports to the UK were consolidated into a single data set for the rest of the world.

399. Based on this, the market share of these imports by volume is laid out in table H15. Note that as there were less than 5 receipts for Vietnam in 2021, data for this year was suppressed.

Table H15: Total imports by country by volume (indexed against PRC 2021)

Country of Origin	1 Apr 20 - 31 Mar 21	1 Apr 21 - 31 Mar 22	1 Apr 22 - 31 Mar 23	1 Apr 23 - 31 Mar 24	Grand Total (Indexed against PRC total)
Republic of Korea (RoK)	175.2	189.5	248.2	195.7	189
PRC	100.0	117.3	94.2	115.6	100
France	15.7	92.6	74.8	80.3	62
Vietnam		81.5	101.3	10.9	45
Germany	14.1	45.1	41.5	58.3	37
Netherlands	4.4	52.2	70.8	29.1	37
Taiwan	39.5	28.7	51.5	35.8	36
Turkey	30.3	63.1	45.3	6.0	34
Finland	9.6	32.5	37.4	40.0	28
Italy	11.4	65.2	17.1	14.3	25
Rest of the world	111.1	176.4	119.9	117.5	123

Source: Raw HMRC customs declaration data with 10-digit commodity code

400. RoK stands out as a major source for the like goods, but as table H16 below demonstrates, the import price of the like goods from the RoK was above PRC goods. This indicates that goods from the PRC are more likely to have a significant impact on prices than goods from the RoK.

Table H16: Import Price (£/kg, Indexed against PRC 2021), significant countries

Country of Origin	1 Apr 20 - 31 Mar 21	1 Apr 21 - 31 Mar 22	1 Apr 22 - 31 Mar 23	1 Apr 23 - 31 Mar 24
RoK	117.3	165.6	192.8	154.2
PRC	100.0	162.6	170.0	128.1
France	110.8	133.3	210.1	192.0
Vietnam		152.4	153.5	122.0
Germany	125.9	170.3	208.8	184.3
Netherlands	136.6	167.0	215.0	173.6
Taiwan	102.7	146.6	194.0	122.2
Turkey	83.0	166.1	215.3	149.4
Finland	136.6	143.0	215.8	194.3
Italy	138.3	141.4	319.7	249.1
UK	99.2	120.0	174.9	161.8

Source: Raw HMRC customs declaration data with 10-digit commodity code

401. As table H16 above demonstrates, import prices of the like goods from the RoK are closer to UK prices and in most years of the IP had a higher import price than the UK domestic sales price. This indicates that imports of the like goods from the RoK are less likely to undercut the UK industry. Other countries with slightly lower prices than the PRC, such as Vietnam, have much smaller volumes involved (as shown in H15).

402. Based on the import data obtained from HMRC, and analyses of the import volumes and values, we can conclude that PRC imports:
    a) are a significant portion of the imports – the second largest country of origin;
    b) are significantly lower in price than other leading countries of origin; and
    c) have caused or are causing injury to the UK industry of the like goods.

H3 Conclusion

403. Reviewing the evidence available to the investigation, we conclude that:
    a) there has been a significant rise in dumped goods from the PRC in relative terms;
    b) these dumped goods have had a significant impact on prices;
    c) there has been injury to UK industry during the injury period; and
    d) that this injury is due to the imports of the dumped goods from the PRC.

H3.1 Volume

404. In section H1.2.1 Volume of dumped goods in absolute terms, we concluded that the absolute increase of 16% of PRC imports of the like goods by volume over the IP was significant, especially given the decreasing market share of UK industry over the IP. In section H1.2.2 Volume of dumped goods relative to domestic production, we concluded that the relative increase of PRC imports of the like goods against UK production of 58% was significant. Finally, in section H1.2.3 Volume of the dumped goods relative to domestic consumption, we concluded that the 29% increase in the PRC's market share was also significant.

H3.2 Effect of dumped goods concerned on prices

405. The undercutting amount of the UK industry of the like goods was calculated to be 25.8% during the POI. This is significant and is assumed to have varied over the course of the IP, due to the disrupted phase outlined in H1.1 disrupted phase.

406. Evidence shows UK industry had to reduce its prices of the like goods to compete and attempt to retain market share over the POI, and there is evidence of price suppression.

407. When PRC import costs spiked due to the disrupted phase, UK industry was able to achieve profit as a result. Once normalcy returned, UK sales prices of the like goods were again significantly depressed, and UK industry profit fell, linking the price variance to the undercutting.

408. While prices rose over the whole IP, the lack of profit indicates that UK industry was not able increase its prices to represent significant increases in costs. This suppression of prices is significant, with prices lowered to unprofitable levels.

H3.3 Impact of dumped goods concerned on UK industry during the IP

409. Reviewing H1.4.11 Summary of impact of dumped goods on UK industry, we assessed various trends within UK industry to determine if there was injury. The following factors indicated injury because of the dumped goods:
    a) UK industry was unable to operate at profit when PRC imports were not abnormally impacted by the disrupted phase and operated at a loss as a result. This strongly indicates injury to UK industry as the inability to pass on costs is directly tied to the pressures of dumped goods.
    b) There is a strong and timely coincidence between variations in PRC import price and UK industry profits, both in positive terms (when PRC import prices rose, UK industry became profitable) and negative terms (when PRC unit prices dropped, UK industry began to operate at a loss). The timescale of these impacts is as expected given the industry business norms.

410. The following factors indicate the presence of injury as a result of dumped goods, but with contributing external factors (primarily the drop in market size).
    a) Sales value increased over the injury period due to the large increase in costs of production being reflected in a higher sales price, a trend seen across all sources of like goods. Domestic sales volume decreased.
    b) Output for domestic use has fallen.
    c) Capacity utilisation has fallen. Capacity overall has remained the same, as this is a relatively fixed figure based on existing factory infrastructure.
    d) The costs of production rose significantly over the course of the whole injury period. This was driven by many factors, but UK industry was not able to pass this cost on as increased prices and operated as a loss.
    e) Other than the COVID-19 pandemic related drop in 2021/2022, the UK market share did not change significantly during the IP, but this can be attributed to the decision by UK industry to sell at loss to maintain market share.
    f) Employment figures are tied to the overall capacity, as the same workforce will be required regardless of capacity utilisation. Productivity has fallen.

411. No conclusion on injury can be drawn from the following factors:
    a) Stock Levels; and
    b) Growth, Investment, and ROI

412. Overall, the economic factors indicate that the UK industry for the like goods has suffered injury, with negative trends – in absolute or relative terms – observed throughout the injury period.

H3.4 Dumped goods causing injury to UK industry

413. UK industry has been forced to reduce its domestic sales price to levels below the costs of production. Despite the increasing value of sales, this was not borne out in the profit, as UK industry has not been able to fully increase its sales price to represent the costs of production.

414. PRC imports have increased their market share steadily over the IP, increasing the pressure on UK industry to reduce its costs to compete. This has had an injurious effect that is represented in the negative trends seen in the economic factors.

415. The exceptional circumstances that caused PRC import prices to briefly spike created a market situation which allowed the UK industry to be briefly profitable. This brief profitability does not discount the overall injury trends.

H3.5 Other known factors and causation

416. Various other factors were considered in section H1.5 Other factors considered relevant. The impact of the existing safeguard measure on the goods concerned was extensively reviewed, but it was shown that at no point did the safeguard quotas for the goods concerned come close to being fully utilised, and as such are unlikely to have had a material effect.

417. The increasing cost of raw materials would normally be passed on to consumers, and in one year this was done and reflected in the profits (again due to the exceptional market conditions caused by the increase in PRC import costs). The fact that this was demonstrably done in the absence of PRC undercutting supports drawing a causal link between the normal rates of PRC undercutting and the resulting losses for UK industry.

418. The contraction in the overall market has also had a compounding effect upon UK industry. However, the contraction aligns with natural expectations for the Tin Mill market related to external forces – for example, downstream demand fluctuations due to variation between crop harvests – and has been made more impactful for UK industry by the fact that it is forced to sell at loss due to undercutting across the IP.

419. Third country imports were also considered. PRC imports of the goods concerned were notably out of step with the import prices from the rest of the world. The third countries highlighted in the data as having exceptional trends, all had reasonable explanations that satisfied the TRA for discounting them as the cause of injury. This left PRC imports as the cause of injury to the UK industry.

H4 Injury margin

H4.1 Determination of the normal rate of profit

420. The normal rate of profit for the UK industry for the like goods was determined to be a 9% operating profit margin.

421. This is based on the application from the UK industry, which stated that:

> *"We would expect a return of c. 9%, which is based on history. Given the annual nature of deals in this industry, this may mean that we would see deviations around this over months within a year, or even one year above and the next below, but will gravitate around this point."*[159]

422. The disrupted phase outlined in section H1.1 disrupted phase created conditions that UK industry indicated, had allowed it to negotiate under relatively healthy market conditions, where the suppressive effects of PRC goods was mitigated, though not

[159] AD0062 Public File - TSUK Non-Confidential Application, p.54

eliminated, by the circumstances. The profit achieved because of these market conditions, detailed in H1.4.2 profit, was 8%.

423. This supports a conclusion that based on available evidence, a normal rate of profit of 9% is reasonable.

H4.2 Target price

424. The target price is the price that UK industry would expect to sell the like goods without the influence of dumped goods being imported into the market.

425. We calculated this price by using the UK industry's costs of production plus AS&G costs for the like goods and applying a normal rate of profit (before tax). No adjustments were made to the target price beyond this for any PCN.

H4.3 Landed price

426. The landed price is the price of goods concerned when they enter the UK market after clearing customs. This figure was based on exporter sales data. No adjustments were made to the landed price for any PCN.

H4.4 Calculation of injury margins

427. The injury margin is the extent at which the UK industry is being injured. The default method is to base the injury margin for each exporter on its underselling margin. This is calculated by comparing a benchmark UK price (the target price) with the import price (the landed price).

428. We calculated the injury margin for the cooperating exporter, based on the methodology outlined above for each PCN and then calculated the weighted average to determine its overall injury margin.

429. We calculated a residual injury margin for overseas exporters that have not cooperated with the investigation. To calculate this rate, we used the cost data provided by the cooperating PRC exporter and made an adjustment to reach a CIF value. This was then compared to the average target price for the UK industry to create a residual injury rate.

Table H17: Injury Margins

Overseas exporter/producer	Injury margin (%)
Shougang Group	62.39%
All other overseas exporters (residual rate)	88.00%

Section I: Lesser duty rule, alternative measures and forms of measures

I1 Lesser duty rule

430. The TRA calculated dumping and injury margins for the Shougang Group and for all other PRC producing exporters. In accordance with paragraph 18(6) of Schedule 4 to the Act, and regulation 36 of the Regulations, the TRA's recommendation as to how the anti-dumping amount should be determined must be such that it does not exceed the margin of dumping, in relation to the goods as determined by the TRA as part of its final affirmative determination, or the amount which the TRA is satisfied would be adequate to remove the injury to the UK industry in the goods if that amount is less than the anti-dumping amount. The TRA has therefore recommended anti-dumping amounts for the Shougang Group and for all other PRC producing exporters following this lesser duty rule.

431. Table I1 provides the comparison of the dumping and injury margins, and the implementation of the lesser duty rule to arrive at a recommended anti-dumping amount that is the lesser amount.

Table I1: Anti-dumping amount

PRC Producer/Exporter	Dumping Margin (%)	Injury Margin (%)	Anti-dumping amount (%)
Shougang Group	27.85%	62.39%	27.85%
All other PRC producers/exporters (residual amount)	49.98%	88.00%	49.98%

I2 Form of measure

432. The TRA has considered a number of options in respect of a proposed measure on Tin Mill Products and concluded that it should take the form of an *ad-valorem* duty, at the rates outlined in Table I1.

Section J: Economic interest test

J1 Introduction

433. The aim of the Economic Interest Test (EIT) is to determine whether applying an anti-dumping amount on the goods concerned imported from the PRC is in the wider economic interest of the UK. This test is presumed to be met unless we are satisfied that the application of the remedy is not in the economic interest of the UK.

434. In accordance with paragraph 25 of Schedule 4 to the Act, the EIT is met in relation to the application of an anti-dumping remedy if the application of the remedy is in the economic interest of the United Kingdom.

435. In line with paragraph 25 of Schedule 4 to the Act, the TRA has taken account of the following in conducting the EIT:
    a) the injury caused by dumping of the goods concerned to a UK industry in the like goods and the benefits to that UK industry in removing that injury;
    b) the economic significance of affected industries and consumers in the UK;
    c) the likely impact on affected industries and consumers in the UK;
    d) the likely impact on particular geographic areas, or particular groups, in the UK;
    e) the likely consequences for the competitive environment, and for the structure of markets for like goods, in the UK; and
    f) other matters as the TRA considers relevant.

J2 Evidence base

436. One interested party – TSUK – submitted a questionnaire response which the TRA considers relevant to the EIT.

437. The TRA has supplemented this submission with background research and collated additional data and information from sources such as Companies House, Dun & Bradstreet (D&B), ONS, and HMRC customs declarations data.

438. The sections that follow assess each of the factors of the EIT.

J3 Injury caused by dumping and benefits to UK industry in removing injury

439. In section H injury, the TRA found that the UK industry has been suffering injury due to dumped Tin Mill Products from the PRC.

440. The injury assessment concluded in section H3 that there would be further injury to the UK industry were a measure not imposed. It is expected that the measure will help remove material injury to the UK industry.

J4 Economic significance of affected industries and consumers in the UK

441. The following groups have been identified as potentially being affected by the measure:

- **Upstream industries**: These are the industries which produce the raw materials (coal, coke, electricity, film, gas) needed to produce the like goods in the UK.
- **UK producer** of the like goods: TSUK is the sole UK producer of the like goods.
- **Importers** of Tin Mill Products: These are the companies that import Tin Mill Products into the UK. All the importers of Tin Mill Products are companies that are registered in the UK. For the purposes of the EIT, the term 'importers' includes businesses who import the like goods and/or goods concerned.
- **Downstream industries**: These are the industries who use the like goods and/or goods concerned to produce other goods such as the food and aerosol packaging industries.
- **Consumers**: These are individuals who purchase final products made using the like goods and/or goods concerned. Tin Mill Products are not considered to be direct consumer products.

442. For the groups identified above except consumers, the TRA selected businesses and utilised data from Companies House and D&B to calculate Gross Value Added (GVA), Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA), and EBITDA margin for the selected businesses. Turnover and employment figures for selected businesses were obtained directly from these sources.

443. Using available evidence, the TRA assessed the financial vulnerability of each industry group, as well as the importance of Tin Mill Products to them.

444. It should be noted that the TRA observed an overlap between importers and downstream businesses (for instance, some downstream businesses are also importers of Tin Mill Products). To avoid double counting, the TRA has grouped these businesses based on their principal business activity.

J4.1 Upstream industries

445. The TRA did not receive submissions from upstream businesses. From the UK producer's questionnaire, the TRA identified and sampled five UK upstream businesses that supply raw materials (coal, coke, electricity, film, gas) to the UK producer. These five businesses collectively account for 100% of the total value of inputs purchased by the UK producer from UK upstream businesses during the POI.

446. On average, selected upstream businesses employed approximately 1,600 workers, with a total GVA of £156m, turnover of £2.5bn, and an EBITDA margin of 2%. About 9% of their turnover comes from sales to the UK producer, indicating that the like goods are somewhat important to upstream businesses.

447. Given that the selected businesses have low EBITDA margins on average (2%), with some businesses experiencing declining sales and declining employee numbers, the TRA has concluded that they are likely to have medium to high level vulnerability to negative economic impacts.

J4.2 UK producer of the like goods

448. TSUK is the sole producer of the like goods in the UK, operating three sites (Trostre, Port Talbot and Llanwern) linked to the production of the like goods. The like goods are manufactured at the Trostre site, while the other sites produce raw materials and provide administrative functions.

449. The UK producer's most recent accounts show it employed an average of 8,000 employees,[160] with 10-20% directly involved in the production of the like goods. Data from D&B show that the UK producer had an average GVA of £113m, turnover of £2.6bn, and an EBITDA margin of -13% across all production.[161] While these figures may have been influenced to some extent by the economic disruptions caused by the COVID-19 pandemic, the TRA considers that the underlying financial vulnerability evidenced by the negative EBITDA margin continues to represent a material concern that cannot be fully attributed to temporary pandemic-related effects. The TRA has therefore concluded that the UK producer is highly vulnerable to negative economic impacts.

450. The TRA found that the like goods are important products to the UK producer, accounting for between 10-20% of its turnover and therefore an important portion of the UK producer's turnover during the POI.

451. The UK producer has argued that if a measure is not imposed, the viability of its Tin Mill Products business would need to be reassessed.[162] This would imply that if a measure is not imposed on the goods concerned from the PRC, it could put at risk the UK producer's manufacturing plant at its Trostre site. The UK producer stresses the potential knock-on implications for its Port Talbot and Llanwern sites which rely on the production of the like goods to reach efficient scale.

J4.3 Importers of Tin Mill Products

452. Due to a lack of participation from importers, the TRA used HMRC trader data to identify businesses in this group.[163] The TRA sampled 15 of the 361 known businesses that imported Tin Mill Products (under the 8-digit commodity codes) during the POI. HMRC trader data is not publicly available at the 10-digit commodity code level, and it is therefore likely that some of the importers may import out-of-scope goods.

453. The importers were sampled on a basis of those with the highest frequency of import transactions relating to Tin Mill Products, and had full financial accounts available on D&B. These 15 importers accounted for approximately 15% of total import

[160] The UK producer's (TSUK) closure of its two blast furnaces could affect the employment figures.
[161] The significance metrics are used to assess the vulnerability of businesses to negative economic shocks. They are derived by taking annual averages of available financial data for the UK producer for the most recent years (2019 to 2024) from D&B.
[162] Tata Steel UK (2024), Questionnaire (Non Confidential), accessed 25/02/2025.
[163] Note that the HMRC Find UK Traders tool does not report country of origin of imports, nor do they report volume or value of import transactions.

transactions of all UK importers involving the in-scope Tin Mill Products 8-digit level commodity codes during the POI.

454. The selected importers have a total employment of 6,100, GVA of £426m, turnover of £2.4bn, and an average EBITDA margin of 6%. Approximately 6% of their import transactions are related to Tin Mill Products on average, indicating that Tin Mill Products are somewhat important to these businesses.

455. As some of the selected importers have seen declining employment, sales and GVA figures in recent years, the TRA concluded that this group have a medium level vulnerability to negative economic impacts.

J4.4 Downstream industries

456. The food and aerosol packaging industries are the major downstream users of Tin Mill Products in the UK, with 87% of the UK producer's Tin Mill Products sold to these industries.[164]

457. Using the UK producer's transaction data, the TRA identified 14 downstream businesses that purchased Tin Mill Products from the UK producer during the POI. The TRA sampled the five downstream businesses with the highest value of purchases of Tin Mill Products from the UK producer, which had full financial accounts available on D&B. The sample accounted for 96% of the UK producer's domestic sales value during the POI.

458. Financial data from D&B shows that selected downstream businesses employ approximately 1,800 people, have a GVA of £297m, turnover of £1.4bn, and an average EBITDA margin of 13%. About 13% of their turnover is related to Tin Mill Products, indicating that Tin Mill Products are important to downstream businesses. While most downstream businesses generally have good profitability and growth, some have experienced declining sales or profit margins in recent years. The TRA therefore concludes that these businesses have low to medium vulnerability to negative economic impacts.

[164] Tin Mill Products are mainly used to produce food and beverage packaging, promotional packaging, kitchenware and bakeware, aerosols and paint pans.

J4.5 Summary table

459. Table J1 presents data on the economic significance of the different sectors of the supply chain for Tin Mill Products.[165]

Table J1: Significance metrics for the UK businesses potentially affected by a measure

	Upstream Businesses	UK Producer	Importers	Downstream Businesses
Total known businesses	5	1	361	14
Total selected businesses for analysis	5	1	15	5
Estimated importance of the goods to this group	**Somewhat Important** (sales to the UK producer vs turnover)	**Important** (Tin Mill Products sales vs turnover)	**Somewhat Important** (% of import transactions from relevant commodity codes)	**Important** (Tin Mill Products purchases from the UK producer vs turnover)
Total employment of selected businesses	1,649	8,019	6,132	1,820
Total GVA of selected businesses (£m)	156	113	426	297
Total turnover of selected businesses (£m)	2,549	2,600	2,357	1,419
Total average EBITDA margin for selected businesses (%)	2%	-13%	6%	13%
Assessment of vulnerability to negative economic impacts	**Medium to high vulnerability** Low EBITDA margins.	**High vulnerability** Negative EBITDA margin.	**Medium vulnerability** Some businesses with declining sales and EBITDA margins in recent years, and a very high level of dependence on Tin Mill Products.	**Low - medium vulnerability** Some businesses with declining sales and EBITDA margins in recent years.

Methodology: The importance of Tin Mill Products to each of the groups was estimated using the comparison metrics set out in brackets for each group. The significance metrics were derived by taking annual averages of available financial data for the selected businesses for the most recent years (time periods range from 2018 to 2024) from D&B. GVA was estimated by adding EBITDA and total employee remuneration for each year. EBITDA margin was estimated by dividing EBITDA by company turnover. The assessment of vulnerability to negative economic impacts was made by looking at published accounts during the same period. It should be noted that the COVID-19 pandemic may have influenced the financial data and business performance metrics used in this analysis. These effects are likely to be minimal as the use of data spanning multiple years smooth out any short-term anomalies therefore allowing for a more balanced assessment.

[165] The figures (GVA, turnover and EBITDA) provided in table J1 are not specific to Tin Mill Products but reflect selected businesses as a whole.

J5 The likely impact of the measure on affected industries and consumers in the UK

460. In this section, the TRA assesses the overall impact that the imposition of a five-year anti-dumping measure might have on the affected groups identified. The TRA does this by looking at how prices and quantities of goods in the Tin Mill Products supply chain might change under two states: (i) if an anti-dumping measure was to be imposed, and (ii) if an anti-dumping measure was not to be imposed. The possible impact for the affected groups is then considered and compared across the two states.

J5.1 Inputs and assumptions in quantification of economic impact

461. The TRA views the Tin Mill Products market as a single segment, which consists of three groups selling to the UK market. These are the UK producer, PRC producers, and third country producers.

462. The TRA has utilised HMRC 10-digit customs declarations imports data to estimate the sales volumes, values, and prices of Tin Mill Products sold by PRC producers (goods concerned) and third country producers (like goods). The TRA also utilises the aforementioned HMRC imports data alongside the UK producer's sales data to estimate the market shares for each group.

463. For the impact analysis, the level of the measure is calculated as a weighted average of the sampled cooperating rate and the residual rate, weighted by import volume. This equates to an average duty of 49.5%.

464. Based on the TRA's knowledge of the product and the product supply chain, the TRA assumes that demand for Tin Mill Products is relatively price inelastic and uses a range of price elasticity of demand (PED) from 0 to -0.5 in its impact analysis.

465. The TRA's assumption of the tariff pass-through (PT) to downstream businesses is based on a review of a range of academic papers on cost pass-through which found that the proportion of tariff costs passed on to downstream businesses for most goods sold in the UK typically range between 75% and 100%.

466. The TRA assumes the UK producer's marginal cost (MC) is equal to the sum of average variable costs incurred in the production and sale of the like goods. The TRA assumes the MC for downstream businesses is equal to the average price per tonne of Tin Mill Products that they purchase. The TRA assumes the MC for importers is equal to the average price of imported Tin Mill Products from PRC (goods concerned) and third countries (the like goods).

467. In the impact analysis, the TRA assumes that UK importers will maintain an average mark-up of 6%, which is the average EBITDA margin for selected importers considered in section J4.3.

J5.2 Counterfactuals and scenarios in quantification of economic impact

468. In the quantification of economic impact, the TRA considered two counterfactuals without the proposed anti-dumping measure and three scenarios with the anti-dumping measure, as detailed in Table J2.

Table J2: Scenarios used in quantification of economic impact	
Counterfactuals without the five-year anti-dumping measure	
Counterfactual A	The UK producer will remain in the UK market without the measure. There will be no changes to prices, quantities, and market shares.
Counterfactual B	The UK producer will exit the UK market without the measure and its market share will be redistributed to PRC producers. There will be no changes to prices of PRC and third country producers.
Scenarios with the five-year anti-dumping measure	
Scenario A	All Tin Mill producers will remain in the market and increase their prices by the level of the measure. Market shares remain the same.
Scenario B	Only PRC producers will increase their prices by the level of the measure which will lead them to exit the UK market. The market share of PRC producers will be reallocated proportionately between the UK producer and third country producers.
Scenario C	Only PRC producers will increase their prices by the level of the measure which will lead them to exit the UK market. The UK producer increases its prices by 15% to achieve its desired profit margin. Third country producers will also increase their prices by 15%, in line with the UK producer. The market share of PRC producers will be reallocated proportionately between the UK producer and third country producers.

469. Under Counterfactual A, the non-imposition of a measure would allow prices of imported Tin Mill Products from the PRC to remain below the prices of the UK producer and imports from third countries. Imports from the PRC would continue to suppress the prices of Tin Mill Products produced by the UK producer, who would have to continue to keep its prices low to remain competitive.

470. Under Counterfactual B with the exit of the UK producer, the UK market for Tin Mill Products could see a reduction in average prices of up to 11.5% and an increase in the quantity of Tin Mill Products sold of up to 5.8%, depending on the price elasticity of demand. This counterfactual is however based on the assumption that competition between PRC and third country producers prevents any price rises.

471. Under Counterfactual B, the UK market for Tin Mill Products is only served by PRC and third country producers and the market share previously held by the UK producer is redistributed to PRC producers. This redistribution is driven by several factors: PRC producers are a relatively cheap source of Tin Mill Products for UK consumers; there

is significant overcapacity in the PRC steel industry; and the current safeguard measures restricting imports of Tin Mill Products into the UK from the PRC and all other countries are due to expire in 2026. In reality, it is possible that PRC producers could take the majority but not all of the UK producer's market share.

472. Internal likelihood of market exit analysis conducted by the TRA indicated that in the absence of a measure, it is more probable than not that the UK producer will exit the UK Tin Mill Products market.

473. For the scenarios where an anti-dumping measure is imposed, the TRA has assumed that PRC exporters and/or UK importers of Tin Mill Products will not absorb much of the anti-dumping measure duty rates. The TRA has also assumed that PRC producers will raise their prices by the level of the measure – by between 37.2% (low PT of 75%) and 49.5% (high PT of 100%).

474. The average price of Tin Mill Products sold in the UK market will be higher under all scenarios with the anti-dumping measure. Price increases could range from around 1.3% where PRC producers exit the UK market with no price increases from UK and third country producers, to around 16.8% where PRC producers exit the UK market and UK and third country producers increase their prices by 15% (driven by the UK producer's desire to achieve its target profit margin), and around 37.2% to 49.5% where all producers increase their prices by the level of the measure and remain in the UK Tin Mill Products market.

475. These price increases could lead to a reduction in the quantities of Tin Mill Products sold in the UK market by between 0% and 24.8%. The exact change will depend on how producers of Tin Mill Products choose to respond if a measure is imposed (scenarios A to C in Table J2), the degree to which any costs of the tariff are passed on to downstream businesses, and how sensitive demand for Tin Mill Products is to changes in prices.

476. Evidence from the UK industry suggests that Tin Mill Products are not easily substitutable due to specific requirements for production and application of the goods. This would suggest that any reductions in quantity caused by increased prices is likely to be closer to the lower end of the predicted range.

J6 Likely impact on affected industries and consumers

477. The TRA estimated welfare impacts by looking at the change in producer and consumer surplus under each scenario when compared with each of the counterfactuals. Consumer surplus is the welfare a consumer gets from buying a product. Producer surplus is the welfare a producer gets from selling a product.

478. As Tin Mill Products are not a consumer product, the impact analysis assumes that the consumers of Tin Mill Products are downstream businesses.

479. Surplus is estimated using the following formulas:

Producer Surplus = (Price per unit - Marginal cost) * Quantity sold

$$\Delta \text{ Consumer Surplus} = \left(-\frac{1}{2}\right) * \left(\text{Quantity}_{\_tariff} + \text{Quantity}_{\_no\_tariff}\right) * (\text{Price}_{\_tariff} - \text{Price}_{\_no\_tariff})$$

where:
Δ Consumer Surplus is the change in consumer surplus
$\text{Quantity}_{\_tariff}$ is the quantity of Tin Mill Products consumed in the UK with the anti-dumping measure;
$\text{Quantity}_{\_no\_tariff}$ is the quantity of Tin Mill Products consumed in the UK without the anti-dumping measure;
$\text{Price}_{\_tariff}$ is the average price of Tin Mill Products sold in the UK market with the anti-dumping measure;
$\text{Price}_{\_no\_tariff}$ is the average price of Tin Mill Products sold in the UK market without the anti-dumping measure.

480. Table J3 shows the welfare impacts for the different affected supply chain groups under each of the modelled scenarios when compared with each of the counterfactuals. Details of the specific scenarios and counterfactuals can be found at Table J2. The impacts on different groups are explained in the following sections.

Table J3: Estimated welfare impact of imposing a measure (as compared to not imposing a measure) on affected UK industries and consumers

Stakeholder Group	**Expected annual impact from the measure (£m)**	
	Scenario A (Counterfactual A)	**Scenario A (Counterfactual B)**
Change in UK producer surplus (£m)	£48.1 to £89.9	£85.0 to £126.9
Change in importer surplus (£m)	£0.8 to £3.6	-£8.9 to -£5.2
Change in consumer surplus (£m)	-£149.8 to -£101.9	-£184.6 to -£137.7
Total change in welfare (£m)	-£71.8 to -£42.2	-£80.4 to -£48.9
	Scenario B (Counterfactual A)	**Scenario B (Counterfactual B)**
Change in UK producer surplus (£m)	£2.2 to £2.4	£39.1 to £39.4
Change in importer surplus (£m)	-£0.5 to -£0.5	-£10.2 to -£9.3
Change in consumer surplus (£m)	-£4.0 to -£4.0	-£39.8 to -£38.9

Total change in welfare (£m)	-£2.4 to -£2.1	-£11.0 to -£8.8
	Scenario C (Counterfactual A)	**Scenario C (Counterfactual B)**
Change in UK producer surplus (£m)	£2.2 to £32.0	£39.1 to £68.9
Change in importer surplus (£m)	-£0.1 to £0.6	-£9.8 to -£8.2
Change in consumer surplus (£m)	-£50.8 to -£48.7	-£85.7 to -£84.5
Total change in welfare (£m)	**-£46.6 to -£18.3**	**-£55.2 to -£25.0**

Notes: Total change in welfare is the sum of the change in surplus for the UK producer, UK importers, and UK consumers (where consumers are defined as downstream businesses and not as consumers that are private individuals). The TRA could not quantify change in welfare for UK upstream businesses. Total change in welfare does not account for change in tariff revenue because the TRA cannot directly attribute as a benefit or a cost to any affected industries and consumers.

J6.1 Upstream industries

481. Whilst the TRA could not quantify the change in welfare for upstream industries (due to a lack of participation from upstream businesses), the impact analysis indicates that an imposition of an anti-dumping measure is likely to benefit the UK producer and have analogous benefits for upstream industries.

J6.2 UK producer of Tin Mill Products

482. The TRA estimates that compared to the current state of play in the UK market, the UK producer may benefit from the imposition of an anti-dumping measure by up to £89.9m. In the event that not imposing the anti-dumping measure leads to the exit of the UK producer from the UK Tin Mill Products market, the potential benefit from imposing the anti-dumping measure rises to £126.9m per annum for the UK producer.

483. A non-imposition of a measure will likely have a negative impact on the UK producer as they would not be able to compete on a level-playing field with PRC producers. Two possible scenarios could occur in the absence of the measure: the UK producer exits the market for Tin Mill Products entirely resulting in zero economic surplus; or the UK producer remains in the market but continues to incur losses on the like goods. Markets including the EU currently have anti-dumping measures in place against Tin Mill Products from the PRC. Additionally, in October 2024, Canada introduced 25% surtax provisions on steel and aluminium goods made in the PRC[166]. The existence of these measures could raise the likelihood of PRC producers increasing their sales of low-price Tin Mill Products to the UK market in the absence of a measure.

J6.3 UK importers of Tin Mill Products

484. If a non-imposition of an anti-dumping measure results in the current state of play in the UK Tin Mill Products market being maintained, the impact on UK importers'

[166] Customs Notice 24-36: China Surtax Order (2024) – Steel and Aluminium, accessed 16/06/2025

surplus could range from a decrease of £0.5m to an increase of £3.6m per annum. The exact figure will depend on how producers of Tin Mill Products choose to respond if a measure is imposed (scenarios A to C), the tariff pass-through, and the price elasticity of demand.

485. In the event that a non-imposition of an anti-dumping measure leads to the exit of the UK producer from the UK Tin Mill Products market, the anti-dumping measure could lead to a welfare decrease of between £5.2m to £10.2m per annum for UK importers. This is attributable to a likely decline in both the volume and value of sales, which would outweigh the potential benefit importers might gain from selling at higher prices.

J6.4 UK downstream businesses

486. The TRA's analysis suggests that an anti-dumping measure could reduce UK downstream businesses' surplus by up to £149.8m per annum when compared to unchanged UK market conditions, and by up to £184.6m per annum in the event that a non-imposition of a measure leads to the exit of the UK producer from the UK Tin Mill Products market. In both cases, the negative welfare impact on downstream businesses is due to an increase in the average price of Tin Mill Products in the UK market if an anti-dumping measure is imposed.

J6.5 Overall welfare impact

487. The TRA's impact analysis suggests that the net impact of imposing an anti-dumping measure on welfare could be a reduction of up to £80.4m per annum. It is important to note that the TRA's impact analysis does not consider the estimated welfare change to upstream industries, nor does it consider the estimated change in tariff revenue from a measure being imposed.

J7 The likely impact on particular geographic areas, and particular groups

488. This section explores how impacts of the proposed measure are likely to be geographically distributed and whether any particular groups might be disproportionately impacted.

J7.1 Likely impact on particular areas

489. The TRA has assessed the geographical significance of affected groups, using data on employment and working age-population, at the level of Travel to Work Areas (TTWAs).

490. For each TTWA with businesses involved in the supply chain for Tin Mill Products, the TRA estimated the percentage of local employment from affected businesses to identify any areas where the Tin Mill Products supply chain employs a significant percentage of the local workforce (more than 1% of the local working-age population).

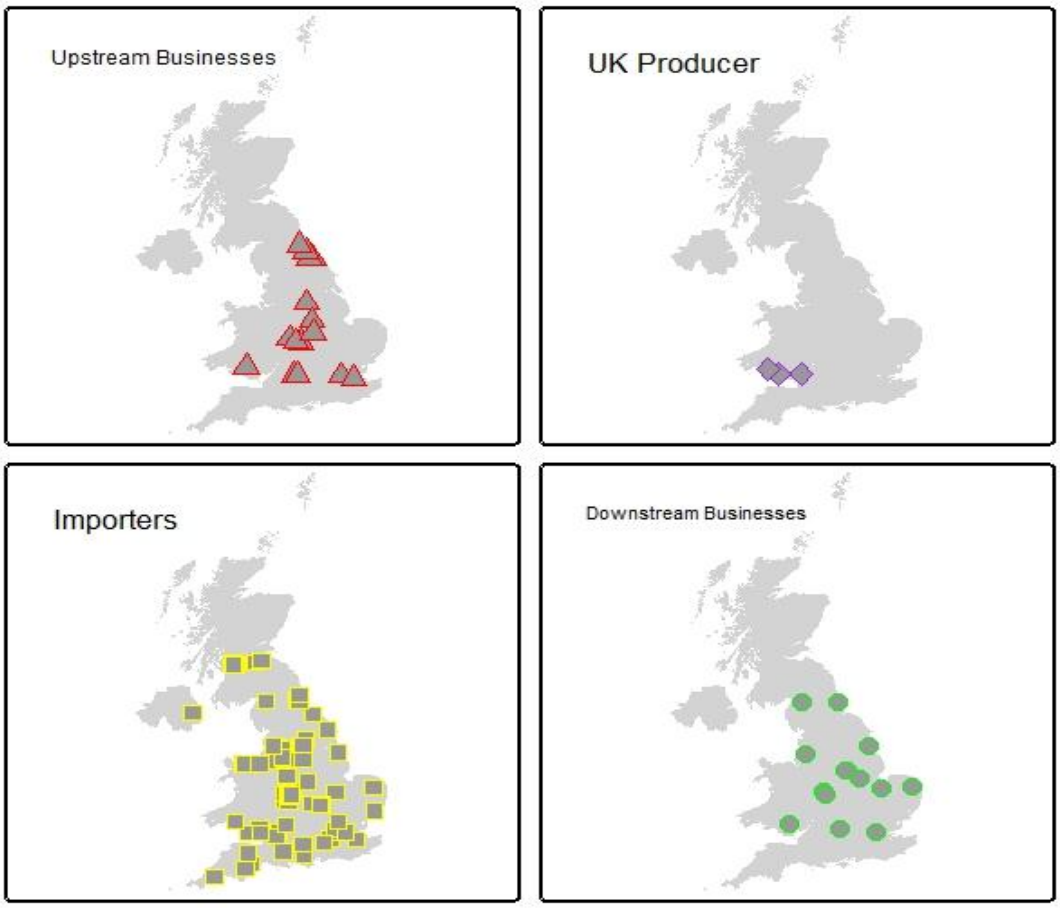
491. The TRA used three sources for its employment analysis: the UK producer's questionnaire response (which includes data on site-level employment for the like

goods); D&B business directory (which includes data on site locations and estimated employment for listed companies); and ONS data on working-age population.

492. The TRA used D&B to estimate employment by site, but scaled down these estimates wherever the sum of employment from all sites exceeded the total employment in the most recent published accounts. Where sites were listed without employment figures, the TRA assumed employees were distributed equally between all sites.

493. Figure 5 shows the geographic distribution of business locations which are part of the Tin Mill Products supply chain in the UK.

Figure 5: Known locations of selected UK businesses for Tin Mill Products supply chain



Sources: Questionnaires, Dun and Bradstreet Business Directory. Note: Contains National Statistics data © Crown copyright and database right 2023, contains OS data © Crown copyright and database right 2023.

494. For the UK producer, upstream and downstream businesses, the TRA did not find any areas where estimated employment from selected businesses constituted a significant proportion of the working-age population in their respective TTWA. The TRA therefore does not expect significant impacts from the imposition or non-imposition of an anti-dumping measure on Tin Mill Products in any of these TTWAs.

495. For importers, the TRA found one TTWA (Peterborough) which had a significant proportion of the working-age population employed by selected businesses. However,

the sole importer located in this TTWA has limited involvement with Tin Mill Products in the POI and strong financial performance in recent years. The TRA therefore concludes that the Peterborough TTWA is unlikely to be affected by the imposition or non-imposition of a measure on Tin Mill Products.

J7.2 Likely impact on particular groups

496. The TRA considered the likely impact on particular groups including those with protected characteristics as defined by the Equality Act 2010. The TRA has found no evidence to suggest that any particular groups would be disproportionately affected by a measure.

J8 The likely consequences for the competitive environment and for the structure of markets for goods in the UK

497. The assessment of likely consequences for the competitive environment and structure of the UK market considers four areas:
    - The impact on the number or range of suppliers;
    - The impact on the ability of suppliers to compete;
    - The impact on incentives to compete vigorously; and
    - The impact on the choices and information available to consumers.

498. Sections F and H provides details on the Tin Mill Market structure and trends. The TRA's estimate of Herfindahl Hirschman Index (HHI) suggests that the market is currently highly concentrated, with a value of over 2,000.[167] Nevertheless, the market remains competitive given the continued imports of Tin Mill Products from up to 55 countries as well as domestic supply from the UK producer.

499. In terms of the impact on the ability of suppliers to compete, the TRA has no evidence to show that an imposition of an anti-dumping measure will disrupt the competitive environment in the market. The measure will help remove material injury faced by the UK producer and enable firms to compete on a level playing field.

500. If an anti-dumping measure is not imposed, the UK producer could potentially exit the UK Tin Mill Products market. Furthermore, the expiration of the steel safeguard measure could lead to an increase in overseas suppliers from the PRC in the absence of an anti-dumping measure. The UK government has announced that it will publish an official Steel Strategy to support the steel industry, and details about this strategy will be available shortly. Consequently, the overall impact on the number and range of suppliers remains uncertain without the imposition of an anti-dumping measure.

501. The TRA has found no evidence to suggest that the imposition or non-imposition of a measure would have an impact on the incentives of suppliers to compete vigorously or on the choices and information available to consumers.

[167] The HHI is a measure of market concentration which is used to determine the level of competition in the market for a product. It is calculated as the sum of the squares of all the market shares of producers in the market, and thus it gives proportionately greater weight to the larger market shares.

J9 Other factors the TRA considers relevant

502. As part of the EIT, the TRA considers any other factors which have implications for concluding whether a measure is in the economic interest of the UK.

503. In 2024, TSUK closed its last two blast furnaces at its Port Talbot steelworks as part of its transition to greener steelmaking using electric arc furnaces.[168] TSUK announced in January 2024 that this closure would impact 2,800 jobs mainly in Port Talbot. The closure is likely to impact the production of HRFC used to produce Tin Mill Products.[169]

504. At this stage, the TRA has no evidence to suggest that TSUK's blast furnaces' closure will have any impact on the production of Tin Mill Products in the UK as the production of HRFC has temporarily been replaced by imported semi-finished steel and HRFC from TATA Steel plants in the Netherlands and India, as well as from other strategic suppliers.[170]

505. TSUK mentioned that if a measure is not imposed, it would have a direct impact on its ability to proceed with decarbonisation projects and its contribution to various net zero initiatives in the UK, which rely on a stable supply of steel products from TSUK.

J10 Forms of measure

506. In the EIT, the TRA also considers the most appropriate form of measure to recommend, in particular whether any changes to the length, scope or type of measure would minimise the negative impacts of the measure on some parties while retaining the overall benefits.

507. The TRA has found no evidence suggesting that a form of measure, other than the type which the TRA recommends imposing in Section I would be more appropriate.

J11 Conclusions

508. In accordance with paragraph 25 of Schedule 4 to the Act, the EIT is met if the application of the proposed measure is in the economic interest of the UK. This test is presumed to be met unless the TRA is satisfied that the application of the proposed measure is not in the economic interest of the UK.

509. As described in previous sections, the TRA determined that the UK industry has been suffering injury due to dumped Tin Mill Products from the PRC. The injury assessment indicated in section H3 that there would be further injury were a measure not recommended.

510. In the economic significance section, the TRA assessed the financial metrics of the different groups that make up the supply chain for Tin Mill Products in the UK. The

[168] Closure of Blast Furnace 4 but green steel project will ensure next generation of steelmaking, accessed: 24/03/2025.
[169] Tata Steel announces next steps towards its ambitious transformation from blast furnaces to green steelmaking in the UK and initiates statutory consultation, accessed: 21/02/2025.
[170] Tata Steel announces next steps towards its ambitious transformation from blast furnaces to green steelmaking in the UK and initiates statutory consultation, accessed: 21/02/2025.

TRA found that Tin Mill Products are important for the UK producer and downstream businesses, and somewhat important for importers and upstream businesses. The TRA also found these groups have low to high level vulnerability to negative economic shocks.

511. In the assessment of the likely economic impact, the TRA concluded that the imposition of a measure would have an overall welfare reducing effect on the UK economy. The quantification of the likely impact indicated that the anti-dumping measure would have a welfare reducing effect on UK downstream businesses and importers, which will be greater than the welfare enhancing effect on the UK producer. The TRA was unable to quantify the change in welfare for upstream industries due to a lack of participation from upstream businesses.

512. In the geographical analysis, the TRA found one TTWA (Peterborough) which employed a significant proportion of the working-age population in the Tin Mill Products supply chain. The TRA however concluded that this TTWA is unlikely to be impacted by the imposition of an anti-dumping measure on Tin Mill Products given the low reliance of Tin Mill Products from the only UK business in this TTWA. For the likely impact on particular groups, the TRA has found no evidence to suggest that any particular groups would be disproportionately impacted by an anti-dumping measure.

513. In the competition section, the TRA concluded that an anti-dumping measure would not significantly alter the current competitive environment or change the structure of the Tin Mill Products market.

514. In terms of other relevant matters, the TRA has no evidence to determine if the UK producer's decarbonisation plans would impact the production of Tin Mill Products in the UK, including any impact on jobs in the Tin Mill Products supply chain. The TRA has noted that the non-imposition of an anti-dumping measure could negatively impact the UK producer's ability to proceed with its decarbonisation projects.

515. The TRA has identified the following key positive impacts of imposing a measure:
- The measure will help remove material injury to UK industry.
- The UK producer could benefit from an increase in producer surplus of up to £126.9m per annum.

516. The contrasting key negative impacts of imposing a measure are:
- Average prices of Tin Mill Products sold in the UK would increase, which will have negative impacts on downstream businesses and importers.
- A measure will lead to an overall welfare loss of up to £80.4m per annum because the welfare loss for downstream businesses and importers will be greater than the welfare gain for the UK producer.

517. Based on the consideration of the evidence submitted by interested parties and all the factors listed in the legislation, the TRA concludes that the negative impacts of imposing an anti-dumping measure on Tin Mill Products are unlikely to be disproportionate to the benefits from addressing injury and, therefore, the EIT is met for the proposed anti-dumping measure.

Section K: Final determination and recommendations

518. The TRA's final determination is set out below.

519. The TRA has made a final affirmative determination in respect of the goods concerned from the PRC and exported to the UK, described in the Notice of Initiation as:

> *Flat-rolled products, of iron or non-alloy steel, coated or plated with tin, whether or not coated with a plastic material and/or varnished ("tinplate") and flat-rolled products, of iron or non-alloy steel coated with chromium oxides or with chromium and chromium oxides (also called electrolytic chromium coated steel or "ECCS").*

520. The TRA has determined that the goods concerned that are the subject of the final determination have been or are being dumped into the UK and the dumped goods have caused or are causing injury to a UK industry in those goods. The TRA therefore recommends to the Secretary of State that an anti-dumping measure is imposed.

521. In accordance with paragraph 17(3), 18(2)(a)(i) and 18(5) of Schedule 4 to the Act, the TRA recommends that the Secretary of State impose an ad-valorem duty for a period of five years on the goods concerned which are the subject of this final affirmative determination.

522. In accordance with paragraph 18(6) of Schedule 4 to the Act, the TRA recommends that the Secretary of State impose the lower of the two margins (the dumping margin) as the anti-dumping amount. Individual margins as well as the residual amount are shown below.

Table K1: Anti-Dumping Amount

Overseas exporter/producer	Dumping Margin (%)	Injury Margin (%)	Anti-Dumping Amount (%)
Shougang Group	27.85%	62.39%	27.85%
All other overseas exporters (residual amount)	49.98%	88.00%	49.98%

Annex A: Interested parties and contributors

523. Table AA1 below lists the information submitted to the TRA by interested parties and contributors to date.

Table AA1: Summary of submissions on the public file

No.	Interested party name	Information received	Status
1.	TATA Steel UK (TSUK)	Application	Applicant / UK Producer
2.	Handan Steel Group Hengshui Cold Rolling Steel Co., Ltd	Registration of Interest	PRC Exporting Producer
3.	Hesteel Group Hengshui Strip Processing Co., Ltd	Registration of Interest	PRC Exporting Producer
4.	JiangSu Youfu Sheet Technology Co., Ltd	Registration of Interest	PRC Exporting Producer
5.	GDH Zhongyue (Zhongshan) Tinplate Indsutry Co., Ltd	Registration of Interest	PRC Exporting Producer
6.	GDH Zhongyue (Qinhuangdao) Tinplate Indsutrial Co., Ltd	Registration of Interest	PRC Exporting Producer
7.	Ministry of Commerce, P.R.C	Registration of Interest	Government of the PRC
8.	Baoshan Iron and Steel Co., Ltd	Registration of Interest	PRC Exporting Producer
9.	Shougang Jingtang United Iron and Steel Co., Ltd	Registration of Interest	PRC Exporting Producer
10.	TATA Steel UK (TSUK)	UK Producer Questionnaire	Applicant / UK Producer
11.	Shougang Jingtang United Iron & Steel Co., Ltd	PRC Exporter Questionnaire	PRC Exporting Producer
12.	Shou Gang Casey Steel Co., Ltd	PRC Exporter Questionnaire	PRC Overseas Producer
13.	Shougang Holding Trade (Hong Kong) Limited	PRC Exporter Questionnaire	PRC Exporter
14.	China Shougang International Trade & Engineering Corporation	PRC Exporter Questionnaire	PRC Sales Agent
15.	TATA Steel UK (TSUK)	UK Producer Verification Report (Non-Confidential)	Applicant / UK Producer
16.	Shougang Jingtang United Iron & Steel Co., Ltd	PRC Exporting Producer Verification Report (Non-Confidential)	PRC Exporting Producer
17.	Shougang Holding Trade (Hong Kong) Limited	PRC Exporter Verification Report (Non-Confidential)	PRC Exporter

18.	Ministry of Commerce, P.R.C	SEF Response	Government of the PRC
19.	Shougang Jingtang United Iron & Steel Co., Ltd	SEF Response	PRC Exporting Producer