



Trade Remedies  
Authority

# Final Recommendation

to the Secretary of State for Business and Trade

Review No. TD0057

Transition review of anti-dumping duties applying to certain Aluminium Foil in  
Rolls originating in the People's Republic of China

18 December 2025



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## Section A: Introduction

1. This section briefly summarises the legal framework for this Final Recommendation to the Secretary of State for Business and Trade (Secretary of State) and the Trade Remedies Authority (TRA)'s main findings. The background to and details of the review (see also [Section C: Background](#)) are set out in the subsequent sections.
2. This document sets out our recommendation and the essential facts on which we have based our recommendation. It should be read in conjunction with other public documents available for this case, which are available on the [public file](#).
3. For further information regarding transition reviews, please see our [public guidance](#).

### A1. Legal framework

4. This recommendation is made pursuant to regulations 100(1), 100(2)(a)(i) and 100A of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations<sup>1</sup> (the Regulations). In accordance with regulation 100(2)(b) of the Regulations, this recommendation includes:
  - a description of the goods to which the recommendation relates;
  - the names of overseas exporters, as well as the exporting country;
  - a summary of the review; and
  - the reasons for the recommendation.
5. In addition, in accordance with regulation 100A(2) of the Regulations, when making a recommendation to vary the measure we must:
  - have had regard to the current and prospective impact of the anti-dumping amount, and;
  - include the following information:
    - the anti-dumping amounts applicable to the goods subject to review;
    - the goods to which the anti-dumping amounts apply; and
    - the period for which the anti-dumping amounts are to apply.

### A2. About this review

6. This recommendation is in respect of a transition review of a United Kingdom (UK) trade remedies measure under regulation 97 of the Regulations, specified in the [Notice of Determination 2020/31](#). This UK measure gives effect to European Union (EU) [Commission Implementing Regulation \(EU\) 2019/915](#) of 4 June 2019. The EU

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<sup>1</sup> Statutory Instrument 2019/450, as amended.



measure transitioned into UK law, and as set out in [Taxation Notice 2020/31](#), took effect as a UK measure on replacement of EU trade duty.

7. This review concerns an anti-dumping measure applying to certain Aluminium Foil in Rolls (AFR) originating in the People's Republic of China (PRC). This review was initiated on 20 May 2024 and the [Notice of Initiation](#) (NOI) was published on this date.
8. The period of investigation (POI) is 1 January 2023 to 31 December 2023. To assess injury, the TRA has chosen the period from 1 January 2020 to 31 December 2023 as the injury period (IP).
9. On 13 October 2025, pursuant to regulation 62 of the Regulations, we published our [Statement of Essential Facts \(SEF\)](#). We received one submission in response to the SEF which we address in section [C4](#) of this Final Recommendation.

## Section B: Summary and findings

### B1. Dumping likelihood

10. In accordance with regulation 99A(1)(a) of the Regulations, the TRA assessed whether dumping of the goods subject to review would be likely to continue or recur if the relevant anti-dumping measure was no longer applied to those goods (the dumping likelihood assessment).
11. The TRA concluded that dumping of AFR originating in the PRC is likely to continue or recur if the measure was no longer applied to those goods. For further detail, see [Section F: Dumping likelihood](#).

### B2. Injury likelihood

12. In accordance with regulations 99A(1)(b) of the Regulations, the TRA assessed whether injury to the UK industry in the like goods would be likely to continue or recur if the relevant anti-dumping measure was no longer applied to the goods subject to review (the injury likelihood assessment).
13. The TRA concluded that injury to the UK industry in the like goods is likely to recur if the measure was no longer applied to the goods subject to review. For further detail, see [Section G: Injury likelihood](#).

### B3. Economic interest test (EIT)

14. In accordance with regulation 100(1E) of the Regulations, the TRA must advise the Secretary of State whether and why it considers that varying the anti-dumping amount



in accordance with its final recommendation, or each option provided as part of its final recommendation, would meet the economic interest test (EIT).

15. In accordance with paragraph 25 of Schedule 4 to the Taxation (Cross-border Trade) Act 2018 (“the Taxation Act”), the EIT is met in relation to the application of an anti-dumping measure if the application of the measure is in the economic interest of the UK. The EIT is presumed to be met unless the TRA or, as the case may be, the Secretary of State is satisfied that the application of the measure is not in the economic interest of the UK.
16. The TRA considers that the variation of the measure in accordance with our final recommendation meets the EIT (see regulation 100(1E) of the Regulations). For further detail, see [Section H: Economic Interest Test](#).

#### **B4. Final recommendation**

17. The TRA’s final recommendation is to vary the application of the anti-dumping amount to the goods subject to review pursuant to regulations 100(1), 100(2)(a)(i) and 100A of the Regulations, so that it applies to those goods imported into the UK until 6 June 2029 – that is, five years subsequent to the date when the measure would have otherwise expired (6 June 2024) had no transition review been initiated.
18. We did not receive any compelling evidence providing reasons for us to consider whether it was appropriate to recalculate the anti-dumping amount. Furthermore, as it was not possible to recalculate the anti-dumping amount, due to the limitations in the data received from interested parties throughout the review process and a lack of participation from the majority of overseas producers and exporters, pursuant to regulation 100A(4)(b) of the Regulations, we recommend maintaining the anti-dumping amounts applicable to the goods subject to review.
19. The description of the goods to which the measure applies (that is, the goods subject to review) is set out in [Section D: The goods subject to review and the UK like goods](#). We have not considered it necessary to vary the goods subject to review or the description of those goods to which the anti-dumping amount applies (in accordance with regulation 99A(2)(a)(ii) of the Regulations), nor have we received any comments or indications that we should consider doing so.
20. Our final recommendation is to vary the application of the anti-dumping amounts (specified in [Annex 1](#)), to be maintained for a period of five years from 6 June 2024 in accordance with regulation 100A(4)(b) of the Regulations, and applied to the goods subject to review imported under the UK tariff codes listed in section [D1](#).
21. We make this recommendation on the grounds that we have assessed that it is likely that dumping would continue or recur if the measure were no longer applied to the goods subject to review; that it is also likely that injury would recur to the UK industry



in the like goods if the measure were no longer applied to the goods subject to review; and that we consider that the variation of the measure in accordance with our final recommendation meets the EIT.

22. In reaching this final recommendation, we also considered the current and prospective impact of the measure, pursuant to regulation 100A(2)(b) of the Regulations.

## Section C: Background

### C1. Cooperation

23. The TRA invited interested parties and contributors to register in order to participate in the review.

#### C1.1 UK producers

24. Prowrap Group (Prowrap) submitted a full producer questionnaire response. It was the only UK producer to submit data suitable for quantitative analysis and was used as a benchmark for estimating UK production and market share.
25. CEDO Limited (CEDO) registered as a UK producer and submitted a questionnaire response as a UK producer, but its UK production commenced after the injury period and it was only importing the like goods from Poland over the injury period. CEDO provided qualitative submissions and was considered in the forward-looking injury likelihood assessment.

#### C1.2 Exporters/producers from the PRC

26. The following PRC exporters registered an interest in the case:
- Qingdao Wohler Aluminium Environmental Technology Co., Ltd ('Wohler Qingdao');
  - Ningbo Favored Commodity Co., Ltd ('Ningbo Favored'); and
  - Ningbo Times Aluminium Foil Technology Corp., Ltd ('Ningbo Times').
27. Wohler Qingdao was the only PRC exporter to submit a questionnaire response. As part of its submission, it submitted 3 sets of documents which included responses from the following two associated parties:
- Qingdao Wohler Household Products Co., Ltd ('Wohler Household'); and
  - Qingdao Wohler Aluminium Environmental Technology Co, Ltd ('Wohler Aluminium') (a similarly named but distinct entity to Wohler Qingdao).



28. For the purposes of this review, we collectively refer to these three associated companies as the 'Wohler Group', which may also be referred to as the 'participating exporter group'.
29. We do not consider the participating exporter group to be representative of the wider PRC industry for the following reasons:
  - as discussed in section [F2.2](#), based on information from a [news article](#) and the USITC's [2023](#) review, we assess that there could be as many as 157 or 233 producers of aluminium foil (whether or not including jumbo rolls) in the PRC; and
  - two of the three exporters within the participating exporter group only began trading during the second and third years of the injury period and therefore did not provide data for the whole injury period.
30. However, this did not have a material negative impact on this review, because as stated in section [F1](#), we have assessed the likelihood of dumping on a countrywide basis.

### **C1.3 Importers**

31. WM Morrison Supermarkets Limited (Morrisons) provided qualitative insights into UK market conditions, including consumer price sensitivity and seasonal demand patterns.
32. As stated in section [C1.1](#) above, CEDO registered as a UK producer and submitted a questionnaire response as a UK producer, but its UK production commenced after the injury period and it was only importing the like goods from Poland over the injury period. CEDO provided qualitative submissions and was considered in the forward-looking injury likelihood assessment.

### **C1.4 Foreign government**

33. No foreign government registered an interest or submitted information in this transition review.

### **C1.5 Contributors**

34. No additional contributors submitted information or registered an interest in the case.

## **C2. Use of information**

35. The TRA has had regard to the information supplied by interested parties and contributors, where that 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 any applicable time limits and in a form that the TRA requested.
36. In accordance with regulation 48(1) of the Regulations, the TRA has also accepted information submitted outside applicable time limits.
37. [Annex 3: Interested parties and contributors](#) contains a summary of information received from all interested parties and contributors.
38. Relevant non-confidential submissions made to this review were published and are available on the [public file](#).
39. Secondary source information was used in accordance with regulation 47(5) of the Regulations. This 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.

### **C3. Verification of data**

40. The TRA undertook verification activities, where it considered necessary, in relation to the information provided by the cooperating interested parties, during which the completeness, relevance and accuracy of that information was assessed.
41. The TRA conducted on-site verification activities with Prowrap (UK producer) from 11 to 12 February 2025. A non-confidential version of the verification report is available on the [public file](#).

#### **C3.1 Analysis of trade data**

42. In this review, AFR is identified by reference to commodity codes at the 10-digit level. Although HMRC raw customs declarations data with 10-digit commodity codes (based on the country of origin) is not publicly available and may include erroneous declarations, what is publicly available at 8-digit or 6-digit level (based on the country of dispatch) will contain products outside the scope of this review. Where practicable, we have used 10-digit data, as this is specific to all goods within the scope of this review and therefore is the most appropriate option in these circumstances. However, where this data was not available, we have had to rely upon publicly available data at 8-digit or 6-digit level.
43. Trade data has been obtained using both Cost, Insurance and Freight (CIF) import data, and Free on Board (FOB) export data. Use of these international commercial terms (Incoterms) means the import/export values are not directly comparable to an Ex Works (EXW) price.
44. We acknowledge there may be limitations in our analysis, but assess these are not significant enough to undermine our overall conclusions.



## C4. Statement of Essential Facts

45. Our [SEF](#) was published on 13 October 2025 and detailed the TRA's intended final recommendation.
46. We received one submission in response to the SEF from the Wohler Group on 27 October 2025 which was published to the public file and can be accessed [here](#).
47. The TRA has carefully considered this SEF response and notes the position taken by the Wohler Group and its request for an individual anti-dumping amount. Although it cooperated and submitted a completed questionnaire response for the transition review, it is not possible to calculate an individual anti-dumping amount as we did not receive the level of cooperation needed from other interested parties in this transition review to calculate an individual anti-dumping amount for any interested party.
48. We conducted this transition review on the basis of likelihood of dumping and likelihood of injury assessments, in accordance with regulation 99A(1) of the Regulations (as noted in Sections B1, B2, F and G of the SEF; see also Sections [B1](#), [B2](#), [F](#) and [G](#) of this Final Recommendation).
49. Based on the outcome of these assessments, and given that it has not been possible for us to recalculate anti-dumping amounts (due to the limitations in the data received from interested parties throughout the review process and a lack of participation from the majority of overseas producers and exporters), the intended final recommendation in the SEF was to maintain the anti-dumping amounts at the levels set out in [Taxation Notice 2020/31](#), pursuant to regulations 100(1) and 100A(4)(b) of the Regulations.
50. As we have received no additional evidence since the publication of the SEF, our recommendation to extend the application of the measure, exactly as set out in the referred taxation notice for a further period of five years remains unchanged.



## Section D: The goods subject to review and the UK like goods

### D1. Goods subject to review

51. The goods subject to review are defined in regulation 2 of the Regulations as “the goods described in the relevant notice of initiation of a review under paragraph 1 of Schedule 3” to the Regulations.
52. The goods subject to review are identified as certain Aluminium Foil in Rolls (AFR) originating in the PRC and exported to the UK, described in the [NOI](#) as:
- “Aluminium foil of a thickness of 0.007mm or more but less than 0.021mm, not backed, not further worked than rolled but whether or not embossed, in low weight rolls of a weight not exceeding 10kg.”*

53. The commodity codes under which these goods are classified are:

**76 07 11 11 11**

**76 07 19 10 11**

**76 07 19 10 19**

**76 07 11 11 19**

### D2. UK like goods

54. In accordance with paragraph 7 of Schedule 4 to the Taxation Act, the TRA refers to UK ‘like goods’ as those goods which are like the goods subject to review in all respects or, if there are no such goods, goods that have characteristics which closely resemble those of the goods subject to review.

### D3. Assessment of the goods

55. We did not receive any submissions suggesting that the goods produced in the UK are not like the goods subject to review.
56. Our own analysis of questionnaire responses and sales data also demonstrated that the like goods have physical and commercial characteristics like those of the goods subject to review in all respects.
57. We are satisfied that the goods produced in the UK are like the goods subject to review for the purpose of this transition review.



## Section E: The UK industry and market

### E1. UK industry

58. Paragraph 6(1) of Schedule 4 of the Taxation Act defines a UK industry in particular goods as either:
- all the producers in the UK of like goods, or
  - those of them whose collective output of like goods constitutes a major proportion of the total production of those goods in the UK.
59. We identified seven UK producers of AFR, although we only received Pre-Sampling Questionnaire (PSQ) responses from the following two UK producers: Prowrap, and CEDO (which did not produce AFR until after the injury period).
60. Based on the methodology explained in paragraph 65 below, we estimate that Prowrap accounted for approximately 32% of all domestic sales of AFR (by volume) by all the UK producers in the POI (excluding businesses for which AFR production was not a major activity). Therefore, we assess that Prowrap constitutes a major proportion of the total production of like goods in the UK.
61. Production processes, the end products, and the market in which all the known UK producers operate are very similar, and therefore we consider Prowrap to be representative of the UK industry.
62. Therefore, for the purpose of this review, Prowrap satisfies the definition of the UK industry, as set out in paragraph 6(1)(b) of schedule 4 to the Taxation Act, and therefore we have considered data provided by Prowrap (alongside information provided by CEDO) to consider whether injury to a UK industry in the like goods would be likely to continue or recur if the anti-dumping measure were no longer applied to the goods subject to review from the PRC.

### E2. UK market

63. Based on the analysis that the TRA conducted using the HMRC raw customs declarations data, alongside information from the UK industry, we assess that it is likely that the estimated annual UK consumption of AFR (by volume) in the POI was approximately 14,300 tonnes.
64. The UK market for AFR is characterised by a reliance on both domestic production and imports. While UK producers contribute a significant share of supply, imports remain essential to meet overall demand. We estimated that UK producers supplied approximately 5,600 tonnes of AFR in the POI, representing approximately 39% of UK consumption, whereas the PRC accounted for approximately 9%, and imports from the rest of the world (ROW) accounted for approximately 52%.



65. Regarding the estimated portion of the market attributable to UK producers in the POI (5,600 tonnes), we took the output (relating to domestic sales) and employment data we received from one of the UK producers, Prowrap, and applied this ratio to other known UK producers (excluding businesses for which AFR production was not a major activity) based on their employment data obtained from audited financial accounts via [Companies House](#).
66. Based on primary and secondary information, our understanding is that consumption of AFR in the UK is widespread, with usage spanning households, retail, hair and beauty, and hospitality sectors. The product is considered a staple item and as stated in section [H4.1](#), demand for AFR is not very sensitive to prices due to a lack of alternatives in some of its uses including in food or beauty. Factors such as increased health awareness during the COVID-19 pandemic and growing environmental concerns have contributed to shifts in consumer preferences, including a move away from plastic-based alternatives.
67. Imports, particularly from the PRC and European suppliers, play a critical role in meeting UK demand. The PRC exports are priced lower than other foreign suppliers and domestic producers.
68. The market is defined by intense price competition, with both domestic and foreign suppliers competing for share. Retailers and consumers are highly responsive to price changes, and domestic producers have expressed concern that low-priced imports from the PRC could disrupt the market balance if trade remedies were lifted.

### **E3. Raw materials and downstream industries**

69. As stated by the EC in its [provisional measures](#), “aluminium foil in small rolls is produced through a simple process of rewinding, cutting and packaging of aluminium foil on jumbo rolls onto smaller rolls.” The AFR industry in the UK is composed of the importation of jumbo rolls of aluminium foil, which serve as the input for domestic conversion into finished AFR products. The European Commission (EC) have separate measures for both AFR and jumbo rolls, although the UK decided not to transition the anti-dumping measures on jumbo rolls from the PRC following a [Call for Evidence](#). This regulatory distinction encouraged investment in local processing facilities, allowing producers such as CEDO to establish UK-based operations focused on rewinding and packaging. The ability to source jumbo rolls, including from the PRC, without additional duties, has enabled domestic manufacturers to mitigate cost pressures and maintain competitiveness against low-priced imports of finished AFR.
70. AFR is widely used by consumers for food storage and preparation, with supermarkets and wholesalers distributing both branded and private-label products, and in the hair and beauty industry where it is commonly used in salons for treatments such as hair colouring. A retailer in the UK (Morrisons) noted the high price sensitivity of the market



in its [questionnaire response](#). This sensitivity places pressure on domestic producers to remain cost-competitive, particularly in the face of low-priced imports.

## Section F: Dumping likelihood

### F1. Introduction

71. In accordance with regulation 99A(1)(a) of the Regulations, the TRA assessed the likelihood that the dumping of the goods subject to review would continue or recur if the anti-dumping amount were no longer applied to those goods.
72. We have assessed the likelihood of dumping on a countrywide basis.
73. This assessment considered:
  - whether the conditions for dumping exist ([F2](#)); and
  - whether the incentives for dumping exist ([F3](#)).
74. In assessing whether the conditions for dumping exist, the TRA considered:
  - whether dumped imports into the UK have continued whilst the measure has been in place ([F2.1](#));
  - production capacity (current and future) and production levels of the exporting industry ([F2.2](#));
  - inventory levels of the exporting industry ([F2.3](#)); and
  - ability of the exporting industry to shift production to the goods subject to review ([F2.4](#)).
75. In assessing whether incentives to dump exist, the TRA considered:
  - market prices in the UK and the overseas exporters' domestic market ([F3.1](#));
  - exports to third countries ([F3.2](#));
  - conditions in the exporters' domestic market ([F3.3](#));
  - how attractive the UK is to exporters ([F3.4](#)); and
  - whether exporters have previously circumvented or absorbed measures ([F3.5](#)).

## F2. Assessment of ability to export dumped goods

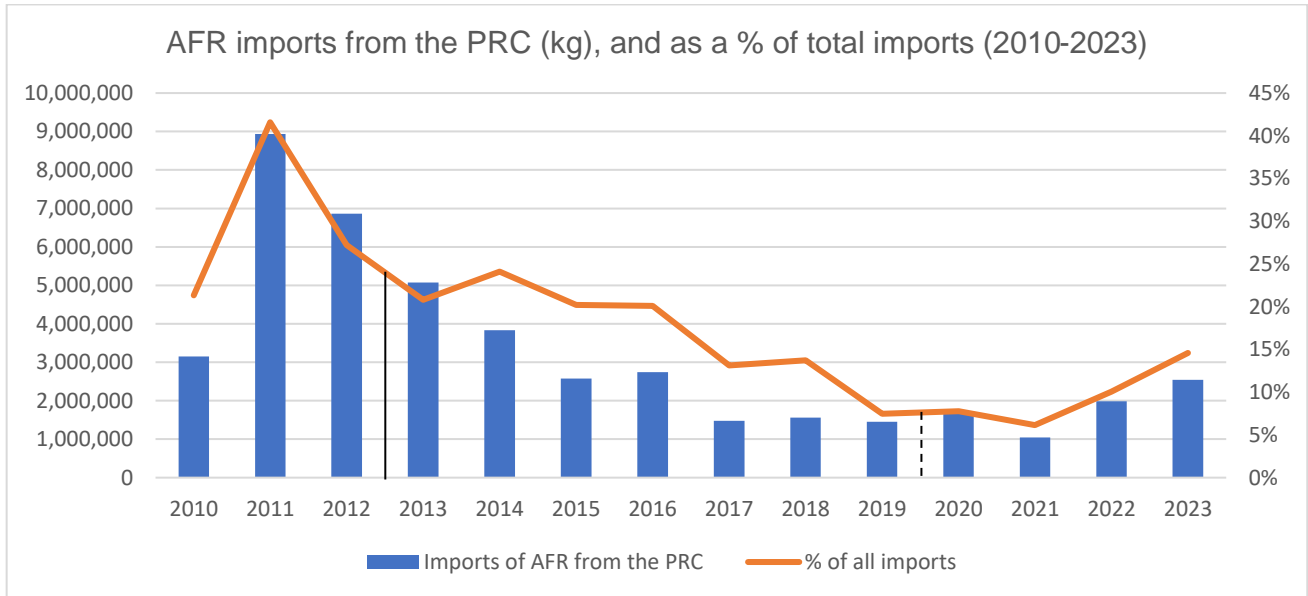
### F2.1 Continued dumping

76. We assessed whether there has been a continuation of imports of AFR into the UK from the PRC.
77. On [11 March 2013](#), the EC (which then included the UK) implemented definitive anti-dumping duties on imports of AFR originating in the PRC.



78. We have not been able to access 10-digit import data going back further than 2021, but published, 8-digit import data from HMRC is available going back to before the EC implemented definitive anti-dumping duties in 2013. Figure 1 (below) shows the volume of imports of AFR into the UK from the PRC both in kg and as a percentage of total imports of AFR into the UK from 2010 to 2023.

**Figure 1: AFR imports from the PRC (kg), and as a % of total imports (2010-2023)**



Source: HMRC Overseas Trade in Goods Statistics (OTS)

Note: The solid black vertical line denotes implementation of the [provisional measure](#) applied by the EC in 2012, subsequently confirmed by its [definitive measure](#). The dotted line indicates the start of the injury period.

79. Following the imposition of definitive measures in 2013, we estimate that the PRC industry decreased its overall exports of the goods subject to review to the UK until 2021, although exports to the UK increased in the following two years, with the POI accounting for the highest volume since 2016 (15% of all imports).

**Table 1: Imports of AFR to the UK (value and volume)**

Imports of AFR		2021	2022	2023 POI
Value (£) (indexed to 2021)	All imports	100	721	979
	PRC	100	3,155	3,574
	RoW	100	594	807
Volume (kg) (indexed to 2021)	All imports	100	459	663
	PRC	100	2,157	3,386
	RoW	100	383	510

Source: HMRC raw customs declarations data

Note: This information was not available to us going back further than 2021.

80. Based on the analysis that the TRA conducted using the HMRC raw customs declarations data and HMRC OTS, we assess that there has been a continuation of imports of AFR into the UK from the PRC regardless of the measure being in place since 2013, and that there has also been a substantial increase over the injury period.



This means that the PRC industry has maintained trade channels to the UK that could be easily used in the future to increase import volumes further.

81. We also assessed whether these imports were at dumped prices (i.e., how does the average export price compare to an indicative domestic sales price in the PRC).
82. Due to a lack of participation from the majority of overseas producers and exporters, we do not have direct evidence to assess whether these goods were exported to the UK at dumped prices. However, we were able to compare the average import prices into the UK (using HMRC OTS) against the average import prices into the EU using data from the [EC's 2025 expiry review](#) which used the same injury period as this review (1 January 2020 to 31 December 2023) (and converting EUR into GBP as of 31 December for each year over the injury period). We noted the EC's methodology using a constructed normal value (using Türkiye as an appropriate representative country for the purposes of determining the normal value), and we consider that it is likely that the PRC exporters have similar distribution channels, supply chains, and transport costs for both the EU and UK markets.
83. The average price of imports into the UK and EU were £3.67 and £3.71 respectively. The EC stated that "the weighted average dumping margins ... was at 28%. It was therefore concluded that dumping continued during the review investigation period." As PRC exporters have been exporting to the UK at prices roughly 1% lower than to the EU, we assess that it is likely that the import price into the UK is also a dumped price and, therefore, that the dumping of the goods subject to review into the UK may have continued over the injury period.

## F2.2 Production capacity and production levels

84. Although we have some direct evidence of capacity of AFR from the participating exporter group in the PRC, it is not representative of the wider PRC industry (as stated in section [C1.2](#)). Within its [questionnaire annex](#), the participating exporter group stated that its annual production capacity is 16,800 tonnes, 17% larger than the estimated annual UK consumption of AFR of approximately 14,300 tonnes, as stated in section [E2](#).
85. As precise data on the AFR capacity of the wider PRC industry is unavailable, the production capacity for jumbo rolls was considered a relevant indicator of AFR capacity. As mentioned above in section [D2](#), jumbo rolls only need to be rewound, cut and packaged to produce AFR.
86. According to [Global Trade Tracker \(GTT\)](#), the PRC was the leading global exporter of aluminium foil (including jumbo rolls) under the 6-digit commodity code 760711 over the injury period, accounting for approximately 45% of global exports (by volume), exporting a total of 806,000 tonnes in the POI. Germany is the next largest exporter, accounting for approximately 9% of global exports (by volume) over the injury period, exporting a total of 159,000 tonnes in the POI.



87. The United States International Trade Commission (USITC) review in [2018](#) stated that China's production capacity increased from 1.41 million to 1.54 million short tons [1.28 million to 1.40 million tonnes] between 2014 and 2016. In its [2023](#) review, it stated that "several subject producers expanded their capacity during the period of review", and that "domestic interested parties provided a list of 233 possible producers of aluminium foil in China." This [news article](#) from July 2023 stated that China "has around 157 aluminium foil companies".
88. The [EC's 2019 expiry review](#) stated that:
- "it was estimated that the Chinese production capacity for all types of aluminium foil was 450,000 tonnes larger than the total domestic Chinese consumption."
  - "It was also estimated that this production capacity would increase from 2.5 million tonnes in 2014 to 2.8 million tonnes in 2018, whereas the increase in domestic consumption would unlikely be sufficient to absorb the increasing capacity."
89. The [EC's 2025 expiry review](#) stated that:
- "the applicant presented evidence showing that China's AHF [aluminium household foil] production capacity has been steadily increasing. Notable expansions include Shenhua Aluminum's capacity growth from 451 000 to 900 000 tonnes in Yunnan Province and the opening of a new 100 000-tonne plant by Longding Aluminum focused on battery and light gauge foil. This ongoing overcapacity was recognized by both the US International Trade Commission (US ITC), which concluded in 2023 that removing trade measures would likely lead to continued harm, and the China Nonferrous Metals Industry Association, which reported that, as of 2016, China possessed more aluminium processing equipment than the rest of the world combined."
90. According to market research from [Guanyan Report Network](#), "data shows that from 2018 to 2022", the PRC's "aluminium's foil production increased from 3.83 million tons to 5.02 million tons [3.47 million to 4.55 million tonnes], with a compound annual growth rate of 7%." It is expected that the PRC's "aluminium foil production will reach 5.37 million tons [4.87 million tonnes] in 2023." However, the PRC's domestic consumption for aluminium foil was only "expected to reach 3.21 million tons [2.91 million tonnes] in 2023." Therefore, the PRC's estimated production directed to export in 2023 was 2.16 million tons [1.96 million tonnes], which equates to approximately 40%.
91. Based on the information from the participating exporter group and secondary evidence from the investigations and reviews of other investigating authorities, including the EC and USITC, we assess that the scale of the AFR industry in the PRC is likely to be substantial and that it would have the capacity to export significant quantities of the goods subject to review to the UK.

## F2.3 Inventories

92. Although we have some direct evidence of inventories of AFR from the participating exporter group in the PRC, it is not representative of the wider PRC industry (as stated in section [C1.2](#)). We were also not able to identify any third-party sources that would allow us to estimate the PRC industry's inventories.



93. In the [USITC's 2018 review](#), it stated that “based on available information, producers of [aluminium] foil from China have the ability to respond to changes in demand with moderate changes in the quantity of shipments of [aluminium] foil to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the ability to shift shipments from alternate markets or inventories and a large [aluminium]-producing capacity.”
94. We assess that information regarding inventories of PRC exporters is still limited and it is not clear regarding the extent to which inventories relate to capacity. However, secondary sources ([USITC](#)) suggest that inventories form part of a flexible and responsive supply chain.

## **F2.4 Ability to shift production to the goods subject to review**

95. We did not receive any information from interested parties regarding the ability to shift production to the goods subject to review. We have therefore used information from secondary sources to make our assessment.
96. In the [USITC's 2018 review](#), whilst the scope exclusively covers jumbo rolls and not AFR, it stated that “three of eight U.S. producers stated that they could switch production from [aluminium] foil to other products. Other products that producers reportedly can produce on the same equipment as [aluminium] foil are [aluminium] coil and [aluminium] sheet. Factors affecting U.S. producers’ ability to shift production include available machine time and product contract requirements.” Also, “factors mitigating responsiveness of supply include limited availability of unused capacity and inventories, as well as a somewhat limited ability to shift production to or from alternate products.”
97. The [USITC's 2018 review](#) also stated that “according to [“U.S. importer” and “household foil converter”]: Trinidad Benham Corporation, “Trinidad”] small and large reels are produced using the same manufacturing facilities, production processes, and employees, with additional processing to produce small reels accounting for a relatively minor share of the end-use cost share for household foil. Trinidad acknowledges that the channels of distribution for large and small reels may be different, with large reels sold to industrial customers and small reels sold to home or restaurant use, but argues that there is no clear dividing line at which foil is sold through a particular channel of distribution.”
98. According to AIFiPa’s [website](#), it “supplies [aluminium] both on large mother reels of several hundred kilograms, as well as “small reels” with few running meters.” “In principle, [aluminium] foil is more expensive on small reels than [aluminium] foil on large reels” because of “more frequent reels changes during production” and “a further step in comparison to the material on the mother reel”.
99. Also, according to this [website](#), an automatic rewinder machine can be used to rewind aluminium foil, cling film, and baking paper to a variety of lengths.



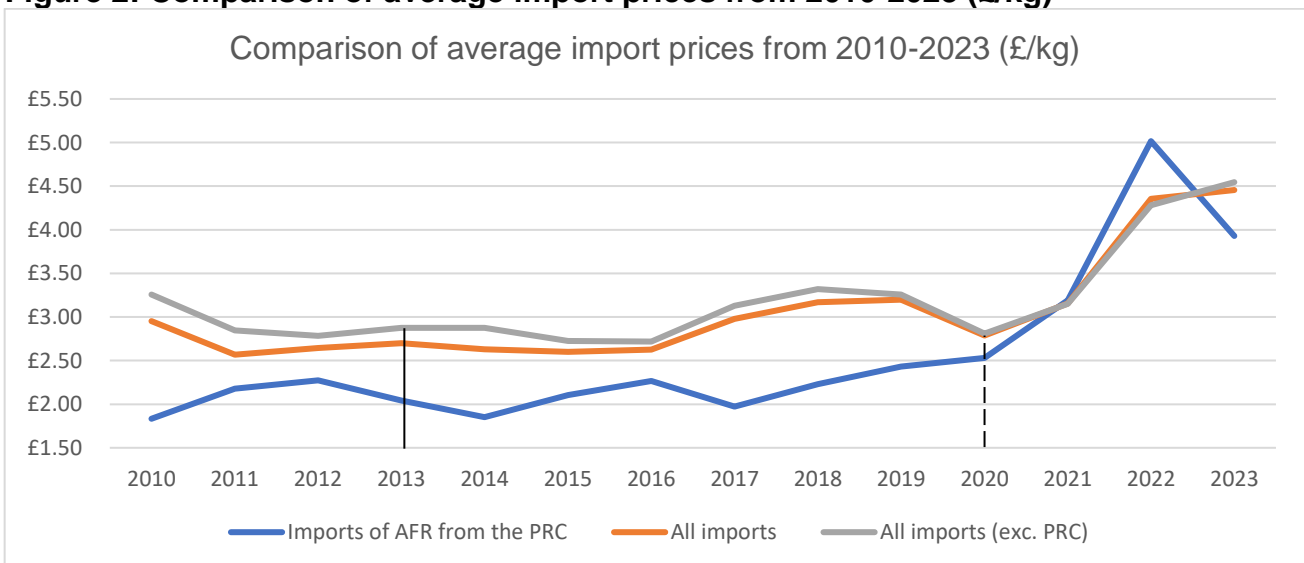
100. As stated in section [F2.2](#), as of 2016, China possessed more aluminium processing equipment than the rest of the world combined. Also, the PRC was the leading global exporter of aluminium foil (including jumbo rolls) over the injury period and accounted for approximately 45% of global exports (by volume) and also has spare capacity with approximately 40% of its estimated production being directed to export which increases its responsiveness of supply.
101. Based on the information above, we assess that it is possible for PRC exporters to shift production from jumbo rolls to small rolls (by adding a final step in their manufacturing processes), or from similar products (such as aluminium coil and aluminium sheet) to jumbo rolls using the same equipment (to then be further processed into small rolls).

### F3. Assessment of incentives to export dumped goods to the UK

#### F3.1 Market prices in the UK and the overseas exporters' market

102. Due to a lack of participation from the majority of overseas producers and exporters, we do not have reliable data on market prices in the PRC.
103. However, regarding the import prices into the UK, we were able to compare average import prices of in-scope goods using HMRC OTS, as shown in Figure 2 (below). We were then able to compare these prices against indicative prices of AFR produced by the four businesses for whom AFR was a primary good which produced the like goods over the injury period.

**Figure 2: Comparison of average import prices from 2010-2023 (£/kg)**



Source: HMRC Overseas Trade in Goods Statistics (OTS).

Note: The solid black vertical line denotes implementation of the [provisional measure](#) applied by the EC in 2012, subsequently confirmed by its [definitive measure](#). The dotted line indicates the start of the injury period.



104. The data shown in Figure 2 (above) using HMRC OTS shows that import prices of AFR from the PRC were consistently lower than the average prices for all imports (with exceptions in 2021 and 2022), being significantly lower than the indicative prices of AFR produced by the UK industry in the POI, and 14% lower than all imports (excluding the PRC) in the POI, and that the prices for all imports increased over the injury period.
105. Based on the analysis that the TRA conducted using the HMRC raw customs declarations data alongside information from the UK industry, we assess that it is likely that the estimated price of imports of AFR from the PRC in the POI undercut the indicative prices of AFR produced by the UK industry by nearly 40%, and were 4% cheaper than imports from ROW.
106. As stated above in section [F2.1](#), the average price of imports into the UK and EU from the PRC were £3.67 and £3.71 respectively. The EC stated that “the weighted average dumping margins ... was at 28%. It was therefore concluded that dumping continued during the review investigation period.” Therefore, as PRC exporters have been exporting to the UK at prices roughly 1% lower than to the EU, and as we consider that the PRC exporters have similar distribution channels, supply chains, and transport costs for both the EU and UK markets, we assess that it is likely that dumping of the goods subject to review into the UK may have continued over the injury period.
107. Further to this, based on the conclusions drawn by the EC, as set out in [Commission Implementing Regulation \(EU\) 2025/1720](#), the TRA considered whether a particular market situation (PMS) may exist in the AFR industry in the PRC. We offered the government of the exporting country an opportunity to provide evidence to show this is no longer the case, however we did not receive a reply.
108. In addition to the findings from the EC, a PMS in the PRC was found in previous TRA investigations (such as aluminium extrusions, optical fibre cables, excavators, and biodiesel) in various areas such as labour, capital, land, government influence, raw materials, and energy.
109. Therefore, the TRA considers it likely that a PMS may exist in the AFR market in the PRC which means it is likely that PRC domestic prices are not wholly determined by market forces. However, given that the dumping margin is not being recalculated in this transition review, we did not quantify the PMS or its exact impact.

### **F3.2 Exports to third countries**

110. Due to a lack of participation from the majority of overseas producers and exporters, we do not have sufficient data on global exports of like goods from the PRC.
111. However, we were able to assess PRC export data under the 6-digit commodity code 760711 which we considered for illustrative purposes only. According to [GTT](#), the top five export markets for the PRC of aluminium foil (including jumbo rolls) using this 6-digit commodity code over the injury period were Thailand, India, Mexico, United Arab Emirates, and Republic of Korea. The USA ranked 14th at 2.25% of PRC exports over



the injury period, and the only two European markets larger than the UK were Italy and Germany who ranked 15th at 2.03% and 17th at 1.90% respectively. The UK ranked 21st and represented 1.26% of PRC exports in this same period. Also, regarding the relationship between export prices to third countries and export prices to the UK, the same [GTT](#) data used above suggests that the average £/kg for exports from the PRC was: £2.97 for all countries, £2.87 for all EU countries, and £2.84 for the UK.

112. It should also be noted that, as mentioned above in section [D2](#), jumbo rolls only need to be rewound, cut and packaged to produce AFR, and therefore jumbo rolls may be being exported in order to be worked into AFR in third countries, such as Thailand.
113. Various countries have imposed anti-dumping measures on aluminium foil (whether or not inclusive of jumbo rolls) from the PRC:
- Measures in force:
    - European Union (implemented in [2013](#), renewed in [2019](#) and [2025](#)),
    - USA (implemented in [2018](#), and renewed in [2023](#));
    - [Argentina](#) (implemented in 2020);
    - [Taiwan](#) (implemented in 2021);
    - [Türkiye](#) (implemented in 2014, and renewed in 2020); and
    - [India](#) (implemented in 2017, terminated in [2022](#), provisional duties set in [2025](#)).
  - Terminated:
    - [Mexico](#) (implemented in 2019, but terminated in 2024).
114. As also noted by the EC in its [latest expiry review](#) with reference to this [news article](#): “India lifted its anti-dumping duties in 2022, and since then, imports of Chinese aluminium foil have significantly increased. This surge has raised concerns within the Indian domestic industry about the resurgence of dumping practices, highlighting the potential predatory behaviour of Chinese exporters following the removal of the measure. On 17 March 2025, the Indian Ministry of Finance announced a provisional anti-dumping duty of USD 619-USD 873 per mt on aluminium foil imports from China”.
115. Overall, based on our analysis of exports to third countries and the findings from other investigating authorities, we assess that PRC exporters of AFR have a practice of dumping in other jurisdictions as well as within the UK market, including where measures are removed.

### **F3.3 Conditions in the overseas exporters’ domestic market**

116. Due to a lack of participation from the majority of overseas producers and exporters, we have no direct evidence of conditions in the PRC domestic market.
117. As stated in section [F2.2](#), a significant proportion (approximately 40%) of the PRC industry’s estimated production is directed towards export sales. Export data from



PRC producers indicated an orientation toward overseas markets, with the UK identified as a key destination for the participating exporter group.

118. As stated in section [E2](#), AFR is considered a staple item, and as stated in section [H4.1](#), demand for AFR is not very sensitive to prices due to a lack of alternatives in some of its uses including in food or beauty. We consider this to be the case in both the UK market and the overseas exporters' domestic market.
119. Therefore, due to the size of the AFR market in the PRC (potentially consisting of up to 233 producers of aluminium foil in China, as stated in section [C1.2](#)), there is increased competition between producers which could cause PRC producers to look elsewhere to sell their products and the UK could become a more attractive destination were the measure to no longer apply to the goods subject to review.
120. As stated in section [F3.1](#), the TRA considers it likely that a PMS may exist in the AFR market in the PRC which means it is likely that PRC domestic prices are not wholly determined by market forces. As we assess that the PRC domestic market is competitive (which usually leads to lower prices in an undistorted market), PRC exporters may be incentivised to export AFR to the UK at prices higher than they are able to within their domestic market whilst remaining at competitive prices in the UK market (whilst still remaining lower than an adjusted normal value to account for the PMS; which would result in these imports being at dumped prices).

### **F3.4 Attractiveness of the UK market to overseas exporters**

121. As stated in sections [E2](#) and [F2.2](#), the estimated annual UK consumption of AFR (by volume) is approximately 14,300 tonnes, whereas it was estimated that the PRC's "aluminium foil production will reach 5.37 million tons [4.87 million tonnes] in 2023", 341 times larger than the UK market.
122. As stated in section [F3.2](#), "India lifted its anti-dumping duties in 2022, and since then, imports of Chinese aluminium foil have significantly increased. This surge has raised concerns within the Indian domestic industry about the resurgence of dumping practices, highlighting the potential predatory behaviour of Chinese exporters following the removal of the measure." This suggests that a market becomes more attractive when anti-dumping duties are removed.
123. As stated in section [F3.3](#), export data from PRC producers indicated an orientation toward overseas markets, with the UK identified as a key destination for the participating exporter group.
124. As stated in section [F2.1](#), we assess that that there has been a continuation of imports of AFR into the UK from the PRC regardless of the measure being in place since 2013, and that there has also been a substantial increase over the injury period. This seems to suggest that the UK is still an attractive market for PRC exporters.
125. Therefore, we assess that the UK market would become more attractive and that PRC exporters would be more likely to choose to export to the UK over other markets if the



measures were to be removed; which could lead to an increase in imports of the goods subject to review.

### **F3.5 Whether overseas exporters have previously or habitually circumvented or absorbed the effects of trade remedies measures**

126. On 14 September 2021, the EC concluded two circumvention review which it initiated after a request was lodged by an anonymous applicant to investigate the possible circumvention of the anti-dumping measures imposed on imports of both [jumbo rolls](#) and [small rolls](#) originating in the PRC by imports consigned from Thailand, whether declared as originating in Thailand or not.

127. According to this [news article](#):

- “Based on evidence of circumvention, the Commission has ... extended the anti-dumping duties on aluminium household foils from China to apply also to imports from Thailand.

This follows a thorough investigation which revealed a significant increase of imports into the EU of aluminium household foil from Thailand. The investigation confirmed that Chinese aluminium foil producers were exporting parts of the product subject to EU anti-dumping duties to Thailand where it was subject to minor assembly operations before the final product was re-exported to the EU. By using another country to export from, the exporting Chinese companies evaded the up to 35 % anti-dumping duty on aluminium foil imported. The duties on imports from Thailand will apply from 21 December 2020 onwards and will be collected retroactively.”

128. The USA, in [2023](#), also determined that imports of certain aluminium foil that were exported from Republic of Korea and Thailand, using inputs manufactured in the PRC were circumventing the anti-dumping duty on aluminium foil from the PRC.

129. As stated in section [F2.1](#), we assess that there has been a continuation of imports of AFR into the UK from the PRC regardless of the measure being in place since 2013, and that there has also been a substantial increase over the injury period. We also assess that it is likely that dumping of the goods subject to review into the UK may have continued over the injury period.

130. Also, as stated in section [F3.1](#), we assess that import prices of AFR from the PRC were consistently lower than the average prices for all imports (with an exception in 2022), regardless of the measure being in place since 2013.

131. Based on the facts available, and that PRC exporters have circumvented trade remedies measures in other jurisdictions, we assess that it is possible that overseas exporters may also circumvent trade remedies measures in the UK.



## **F4. Conclusion on dumping likelihood**

132. Due to the lack of cooperation from overseas exporters of AFR, we have been unable to establish the domestic sales price at which AFR is being sold on the PRC market in order to assess whether the export price of AFR into the UK is a dumped price. Therefore, we have considered the EU's recent determination of continued dumping of AFR into the EU. We have found that import prices of AFR imports into the EU and those into the UK are very similar, and therefore concluded that also AFR import prices into the UK are likely to be made at dumped prices. We have found that those AFR imports from the PRC into the UK have continued regardless of the measure being in place since 2012, and that import volumes have increased substantially in recent years. We also assess that PRC prices undercut the indicative prices of AFR produced by the UK industry in the POI by nearly 40%. Having also assessed the PRC exporters' production capacity and their ability to increase AFR production through product shifting from jumbo rolls to small rolls, we are satisfied that PRC exporters have the ability to increase export volumes to the UK even further should the anti-dumping measures on AFR be revoked. We also assess that PRC exporters of AFR have a practice of dumping in other jurisdictions as well as within the UK market, including where measures are removed. We therefore determine that dumped imports are not only likely to be continuing but also to increase even further should anti-dumping measures on AFR no longer be applied. Therefore, we assess that, on the balance of probabilities, dumping of the goods subject to review from the PRC would be likely to continue or recur if the anti-dumping measure under review were no longer applied to those goods.



## Section G: Injury likelihood

### G1. Introduction

133. In accordance with regulation 99A(1)(b) of the Regulations, the TRA must assess whether injury to a UK industry in the like goods would be likely to continue or recur if the anti-dumping measure were no longer applied to the goods subject to review from the PRC.
134. Where primary data was not available, information obtained from secondary sources was used in accordance with regulation 47(5) of the Regulations.
135. To conduct the injury likelihood assessment, we considered:
- The current state of the UK industry ([G2](#));
  - Other causes of vulnerability ([G3](#));
  - Undercutting of the UK industry ([G4](#));
  - Domestic and international market conditions ([G5](#)); and
  - Historic injury data ([G6](#)).
136. There were increasing levels of imports of the goods subject to review from the PRC over the injury period. The following analysis has been conducted in the context of a UK market that was being protected by the anti-dumping measure under review across the injury period. We have analysed the injury factors during this time and considered what may happen if the measure was revoked.

### G2. The current state of the UK industry

137. As stated in section [E1](#), we assess that Prowrap constitutes a major proportion of the total production of like goods in the UK, and we consider Prowrap to be representative of the UK industry. Therefore, for the purpose of this review, Prowrap satisfies the definition of the UK industry, as set out in paragraph 6(1)(b) of schedule 4 to the Taxation Act, and therefore we have considered data provided by Prowrap (alongside information provided by CEDO) to consider whether injury to a UK industry in the like goods would be likely to continue or recur if the anti-dumping measure were no longer applied to the goods subject to review from the PRC.
138. We assessed the following injury indicators:
- actual and potential decline in sales, profits, output, market share, productivity, return on investments or utilisation of capacity;
  - factors affecting domestic prices of the like goods;
  - the magnitude of the margin of dumping; and
  - actual and potential negative effects on cash flow, inventories, employment, wages, growth, the ability to raise capital or investments.



## G2.1 Actual and potential decline in sales

**Table 2: UK industry's UK sales of like goods (by volume and value)**

	2020	2021	2022	2023
<i>Sales of like goods (kg) (Indexed from 2020)</i>	100	124	129	110
<i>Sales of like goods (£) (Indexed from 2020)</i>	100	132	184	162

Source: UK industry's questionnaire annex

139. The UK industry's UK sales of like goods by volume and value increased by 10% and 62% respectively over the injury period.

## G2.2 Actual and potential decline in outputs

**Table 3: UK industry's output of like goods (by value)**

	2020	2021	2022	2023
<i>Output of like goods (Indexed from 2020)</i>	100	123	167	144

Source: UK industry's questionnaire annex

Disclaimer: It should be noted that this data accounts for all like goods produced, including those that were exported, as these could not be differentiated or segregated.

140. The UK industry's output of like goods (by value) increased by 44% over the injury period.

## G2.3 Actual and potential decline in profits

141. Based on the UK industry's questionnaire annex, its profits relating to sales of like goods increased over the injury period whereas its profit margins decreased over the injury period. This suggests that the volume of profitable sales increased, although the profit per unit decreased.

142. It should be noted that this accounts for profits relating to all sales of like goods, including those that were exported, as these could not be differentiated or segregated.

## G2.4 Actual and potential decline in market share

143. The UK industry submitted its estimated market share over the injury period, although we decided to use our own methodology which included data for imports over the injury period.

**Table 4: UK industry's estimated market share (kg)**

	2020	2021	2022	2023
<i>Estimated market share (kg)</i>	8%	28%	17%	13%
<i>Index (2020 = 100)</i>	100	338	205	154

Source: UK industry's questionnaire annex and HMRC raw customs declarations data

144. The estimated UK industry's market share (by volume) increased significantly in 2021, although following this peak, its market share decreased in the following years over



the injury period. As stated in section [G3.1](#), we assess that COVID-19 pandemic had a positive effect on the UK industry due to many businesses being reliant on the UK industry during supply chain disruptions.

145. The UK industry’s comments on the container and transport issues have been observed in the significant increases in freight prices. The [Shanghai Containerized Freight Index](#) shows indexed price rises from 1,023 at the start of 2020, steadily increasing to over 5,000 by the end of 2021. Since 2022, the price has steadily decreased to pre-pandemic levels; by the end of 2023, the freight index had decreased to below 1,100.

## G2.5 Actual and potential decline in productivity

146. The UK industry submitted its productivity figures (by volume) over the injury period, although we decided to use our own methodology for productivity which is generally measured as: total output of domestically sold like goods divided by the number of staff involved in the manufacture of those goods. As output could not be differentiated between output destined for sale in the UK market vs export market, we have calculated productivity as domestic sales (kg and £) divided by the estimated apportionment of full-time equivalent employees (FTEs) for the like goods in each year over the injury period.

**Table 5: UK industry’s productivity**

	2020	2021	2022	2023
<i>Productivity by volume (kg/FTE) Indexed to 2020</i>	100	118	114	103
<i>Productivity by value (£/FTE) Indexed to 2020</i>	100	125	163	152

Source: UK industry’s questionnaire annex

147. The UK industry’s productivity by volume and value increased by 3% and 52% respectively over the injury period.

## G2.6 Actual and potential decline in return on investment

148. Based on the UK industry’s questionnaire annex, its company-wide return on investment (ROI) decreased slightly over the injury period, and is representative for in-scope and out-of-scope goods alike, as there is no material differentiation between plant and machinery used.

## G2.7 Actual and potential decline in utilisation of capacity

**Table 6: UK industry’s capacity and utilisation**

	2020	2021	2022	2023
<i>Capacity (Indexed from 2020)</i>	100	108	108	108
<i>Capacity utilisation (Indexed from 2020)</i>	100	123	141	122

Source: UK industry’s questionnaire annex



149. The UK industry’s capacity and capacity utilisation increased by 8% and 22% respectively over the injury period.

## G2.8 Factors affecting the domestic price of the like goods

**Table 7: UK industry’s average price per kg (UK sales of like goods)**

	2020	2021	2022	2023
Average £/kg (Indexed from 2020)	100	106	143	147

Source: UK industry’s questionnaire annex

150. Although the UK industry’s UK sales of like goods (by value) increased by 62% over the injury period (as can be seen in Table 2), its profit margins (as discussed in section [G2.3](#)) decreased over the injury period which indicates that it experienced cost pressures and was unable to fully pass on cost increases to customers in a price-sensitive market.

151. The major cost driver in the production of AFR (which as stated in the EC’s original investigation in [2012](#) accounts for around 60-70% of the costs of production) is raw materials, and particularly the import of jumbo rolls, which are not produced in the UK. This dependency exposes the UK industry to global price fluctuations and supply chain risks such as shipping delays, increased energy costs, and increased costs of raw aluminium.

## G2.9 The magnitude of the margin of dumping

152. As it has not been possible to recalculate the dumping margins (as stated in section [B4](#)), we have not been able to assess the magnitude of the margin of dumping over the injury period.

153. As stated in section [F2.1](#), in [EC’s 2025 expiry review](#), it found that “the weighted average dumping margins ... was at 28%. It was therefore concluded that dumping continued during the review investigation period.” We then concluded that, as PRC exporters have been exporting to the UK at prices roughly 1% lower than to the EU, we assess that it is likely that dumping of the goods subject to review into the UK may have continued over the injury period.

154. It is also worthwhile noting that in the [EC’s 2019 expiry review](#), it stated that “the Commission found a dumping margin ... at a level above 150%. The Commission therefore concluded that dumping continued during the review investigation period.”

155. The USITC’s review in [2023](#) stated that within its original investigation in [2018](#), it found “the final weighted-average dumping margins ranging from 48.64 percent to 105.80 percent”.

156. We concluded in [Section F: Dumping likelihood](#) that PRC exporters are likely to have both the ability and incentives to export dumped goods subject to review to the UK.



157. Also, as shown in [Figure 1](#), whilst the volume of imports of AFR from the PRC to the UK appears to have reduced since the imposition of the measure in 2013, imports have continued and increased over the injury period. Therefore, we assess that it is likely that the current measure provides the UK industry a degree of protection from the effect of imports of the goods subject to review.

## G2.10 Actual and potential negative effects on cash flow

158. The UK industry was unable to provide exact data on net cash flows pertaining specifically to the sale of like goods, although they calculated an estimate for net cash flow for like goods based on the proportion of total turnover attributable to the like goods.

**Table 8: UK industry’s cash flow and balance**

	2020	2021	2022	2023
<i>Net cash flow for all goods in millions (£m)</i>	£0m to -£1m	-£1m to -£2m	£1m to £2m	-£1m to -£2m

Source: UK industry’s questionnaire annex

159. The ranged data indicates that, with the exception of 2022, the UK industry has experienced negative cashflow which also worsened throughout the injury period.

## G2.11 Actual and potential negatives effect on inventories

**Table 9: UK industry’s inventory of UK-manufactured like goods at end of period**

	2020	2021	2022	2023
<i>Inventory of like goods (£) (Indexed from 2020)</i>	100	104	175	134
<i>Inventory of like goods (units) (Indexed from 2020)</i>	100	79	228	96

Source: UK industry’s questionnaire annex

160. The UK industry’s inventory by value increased by 34% over the injury period, whilst inventory by volume decreased by 4% over the injury period.

## G2.12 Actual and potential negative effects on employment

**Table 10: UK industry’s number of FTEs allocated to the production of like goods**

	2020	2021	2022	2023
<i>Number of FTEs for like goods</i>	36	38	40	38
<i>Index (2020 = 100)</i>	100	105	113	106

Source: UK industry’s questionnaire annex

161. The UK industry’s employment figures increased by 6% over the injury period.



## G2.13 Actual and potential negative effects on wages

**Table 11: UK industry’s median wage for FTEs engaged in activities related to the like goods**

	2020	2021	2022	2023
<i>Median wage (Indexed from 2020)</i>	100	111	121	131

Source: UK industry’s questionnaire annex

162. The UK industry’s median wage increased by 31% over the injury period.

## G2.14 Actual and potential negative effects on growth

**Table 12: Estimated annual UK consumption**

	2020	2021	2022	2023
<i>Estimated annual UK consumption (Indexed)</i>	100	37	63	71

Source: UK industry’s questionnaire annex, HMRC Overseas Trade in Goods Statistics (OTS), and HMRC raw customs declarations data

163. Based on the analysis that the TRA conducted using the HMRC raw customs declarations data alongside HMRC OTS and information from the UK industry, we assess that it is likely that the estimated annual UK consumption decreased significantly in 2021, and whilst it started to increase again, it decreased by 29% over the IP.

164. The decrease in UK consumption during 2021 coincided with a decrease in UK imports. Over the same period, we estimated the UK gained a significant proportion of market share ([table 4](#)). During 2022 and 2023, import volumes have increased, resulting in the UK’s market share decreasing in these final two years of the injury period, although its market share was still 54% higher than in 2020.

## G2.15 Actual and potential negative effects on the ability to raise capital or investments

165. The UK industry was unable to provide exact data on investments related specifically to the like goods, although it calculated an estimate based on the proportion of total turnover attributable to the like goods. Its investments increased over the injury period.

## G2.16 Conclusions on the state of the UK industry

166. Most of the economic factors considered indicate that the UK industry is in a reasonably strong position and not necessarily in a vulnerable position with the measure in place. However, its profit margins, ROI, and cash flow decreased over the injury period. Also, we note that:

- the current state of the UK industry is predicated on the stability of twelve years of the measure being in force; and



- as discussed in section [G3.1](#), we assess that the COVID-19 pandemic had a positive effect on the UK industry during supply chain disruptions, and therefore we assess that the seemingly healthy performance over the injury period was likely inflated and is unlikely to be replicated over the long term.

### **G3. Other causes of vulnerability**

167. We have considered whether any other factors have had or are likely to have caused the UK to be in a vulnerable position, other than dumped AFR originating in the PRC.

#### **G3.1 COVID-19**

168. As stated in the UK industry's [PSQ response](#), "During periods of short capacity of aluminium from PRC, the business was one of a very few that were able to supply in the UK, notably during Covid stricken years of 2020-2022. This was at a time where imports reduced/stopped due to container and transport issues/PRC domestic problems."
169. As shown in [Figure 1](#), we assess that there has been a substantial increase in imports of AFR into the UK from the PRC over the injury period which suggests that the supply chain in the PRC has recovered from previous disruptions, and therefore, PRC exporters may now be in a position to increase the amount of its exports to the UK.
170. As shown in [Figure 2](#), prices of imports from all countries increased by more than 50% over the injury period, with a notable peak in 2022 for the PRC before it decreased in the POI, although remaining much higher than the start of the injury period.
171. Therefore, we assess that the COVID-19 pandemic had a positive effect on the UK industry due to many businesses being reliant on the UK industry during supply chain disruptions, and we assess that the seemingly healthy performance over the injury period was likely inflated and is unlikely to be replicated over the long term.

#### **G3.2 Imports from third countries**

172. Based on the analysis that the TRA conducted using HMRC OTS (8-digit data), the TRA has assessed that the PRC was the largest exporter of AFR (by volume) from 2010-2023, accountable for 18% of all imports over this same period. PRC prices were approximately 25% cheaper than the average prices of imports from the ROW.
173. However, as shown in [Figure 1](#), imports from the PRC decreased from 2013 to 2021. Over the injury period, the PRC was the third largest exporter of AFR (by volume), accountable for 9% of all imports, behind Poland and Belgium who were accountable for 22% and 17% respectively.



174. Our analysis of imports from third countries also suggests that the average price of imports from some countries is lower than that of the PRC over the injury period, as can be seen in Table 12 below. Although, it is worth noting that these countries are not subject to anti-dumping measures, and the higher average price from the PRC over the injury period is likely to have been influenced by supply chain disruptions cause by COVID-19, as discussed in section [G3.1](#).

**Table 13: Comparison of import prices from 2010-2023 and over the injury period (£/kg)**

	China	Germany	Poland	Turkey	Austria	Belgium	Italy	France	Thailand	Indonesia
2010-2023	2.39	3.66	3.36	2.45	4.41	3.42	3.16	3.33	3.08	3.88
Injury period	3.79	3.34	3.42	3.37	5.62	3.50	5.08	3.00	3.00	3.93

Source: HMRC Overseas Trade in Goods Statistics (OTS).

175. Overall, we assess that imports from third countries may be an additional source of vulnerability, although we cannot determine the amount to which they are contributing to the vulnerability of the UK industry.

### **G3.3 Conclusions on other causes of vulnerability**

176. We have considered the effects of COVID-19 and imports from third countries. We assess that the COVID-19 pandemic had a positive effect on the UK industry due to many businesses being reliant on the UK industry during supply chain disruptions. However, we assess that imports from third countries may be an additional source of vulnerability, although we cannot determine the amount to which they are contributing to the vulnerability of the UK industry.

## **G4. Undercutting of the UK industry**

177. Under regulation 2 of the Regulations, price undercutting means the price of the goods subject to review is lower than the price of the like goods in the UK. In the event of undercutting, the UK industry may be forced to reduce its prices to compete against lower priced imports or risk losing market share. This may also prevent prices of like goods in the UK from rising to a level that the UK industry would otherwise achieve.

178. As stated in section [F3.1](#), based on the analysis that the TRA conducted using the HMRC raw customs declarations data alongside information from the UK industry, we assess that it is likely that the estimated price of imports of AFR from the PRC in the POI undercut the indicative prices of AFR produced by the UK industry by nearly 40%, and were 4% cheaper than imports from ROW.

179. Therefore, we assess that undercutting of the UK industry happened during the injury period and would be likely to continue to a greater degree were the measure on the goods subject to review to no longer be applied.



## G5. Domestic and international market conditions

### G5.1 UK market conditions

180. Based on the analysis that the TRA conducted using the HMRC raw customs declarations data alongside HMRC OTS and information from the UK industry, the TRA has arrived at the conclusion that:

- the estimated annual UK consumption of AFR is approximately 14,300 tonnes;
- estimated market shares are: UK industry: 39%, PRC: 9%, and ROW: 52%;
- the PRC was the largest exporter of AFR (by volume) to the UK from 2010-2023, although the PRC was the third largest over the injury period, accountable for 10% of all imports behind Poland and Belgium who were accountable for 24% and 18% respectively; and
- the estimated price of imports of AFR from the PRC in the POI undercut the indicative prices of AFR produced by the UK industry by nearly 40% and were 4% cheaper than imports from ROW.

181. AFR is predominantly a consumer good, and the UK industry confirmed to us in its questionnaire response that “generally speaking, price is likely to be the most important factor in customers’ purchasing decisions, particularly in an inflationary environment and given that the like products in question are typically interchangeable.”

### G5.2 International market conditions

182. As stated in section [F3.2](#):

- six other jurisdictions have active measures against aluminium foil (whether or not inclusive of jumbo rolls) from the PRC: European Union, USA, Argentina, Taiwan, Türkiye, and India. Mexico implemented similar duties in 2019 but were terminated in 2024.
- there was a surge of imports of AFR from the PRC to India when it lifted its duties in 2022, which suggests that a market becomes more attractive when anti-dumping duties are removed.
- therefore, based on our analysis of exports to third countries, we assess that PRC exporters of AFR have a history of dumping, including where measures are removed.

183. The TRA assessed international supply and demand figures drawn from [GTT](#). However, this data was insufficiently granular (as it included information relating to jumbo rolls) to be of use in assessing the global trade in the goods subject to review.

184. As stated in section [F2.4](#), we assess that it is possible for PRC exporters to shift production from jumbo rolls to small rolls (by adding a final step in their manufacturing



processes), or from similar products (such as aluminium coil and aluminium sheet) to jumbo rolls using the same equipment (to then be further processed into small rolls).

185. As concluded in section [F3.4](#), we assess that the UK market would become more attractive and that PRC exporters would be more likely to choose to export to the UK over other markets if the measures were to be removed.

## G6. Historic injury data

186. The TRA has considered whether the UK industry suffered injury in the past as a result of dumped imports of AFR originating in the PRC.

187. We did not receive any information from the UK industry regarding historic injury. We have therefore used information from secondary sources to make our assessment.

188. As stated in the EC's provisional measures for its original investigation in [2012](#), "it is noted that a UK producer company (part of the Sphere Group) was indeed in the sample". This company is called "[Sphere Consumer Products Limited](#)".

- After being established in [2004](#), its full accounts made up to 31 December 2005 stated its principal activity was "the manufacture and distribution of foodwraps."
- However, after making losses since 2011, in its full accounts made up to 31 December 2013, it stated that "...following a strategic review by the Directors, this activity will change during 2014 to reflect the cessation of manufacturing within the business through 2014" and that "the business should re-organise to become a sales and distribution business only", as it wasn't able to "generate enough margin to cover the entire cost base".
  - It is notable that, as shown in [Figure 1](#) (above), there was a significant increase in imports of AFR from the PRC in 2011 which is likely to have had a negative impact on the UK producer's market share, and may have also influenced its decision to cease manufacturing.
- Its full accounts made up to 31 December 2014 confirmed that "significant redundancies" were required, and that it transitioned "from a manufacturing business to a trading business".
- It had 21 employees attributed to production in 2013, but its accounts made up to 31 December 2015 confirmed that there were no longer any employees attributed to production, just "office and management".

189. The [initial EU investigation](#) in 2013 into dumping of AFR from China (which included a UK producer in the sample) concluded that the Union had suffered injury. The following [expiry review](#) in 2019 stated that "the Union has not improved its economic and financial situation and has not recovered from the material injury that the Commission found in the original investigation."



190. As Sphere Consumer Products Limited was found to have suffered injury as a result of dumped AFR from the PRC (alongside other sampled Union producers), and as it then also ceased manufacturing in 2014 to become a sales and distribution business (as it was not able to generate enough margin to cover the entire cost base, even after the definitive measures were implemented in 2013), we assess that the UK industry has suffered historic injury as a result of dumped imports.

## G7. Conclusion on injury likelihood

191. To determine whether injury would be likely to continue or recur if the anti-dumping measures no longer applied to the goods subject to review, we have conducted a holistic assessment of:

- The current state of the UK industry ([G2](#));
- Other causes of vulnerability ([G3](#));
- Undercutting of the UK industry ([G4](#));
- Domestic and international market conditions ([G5](#)); and
- Historic injury data ([G6](#)).

192. Most of the economic factors considered indicate that the UK industry is in a reasonably strong position and not necessarily in a vulnerable position with the measure in place. However, its profit margins, ROI, and cash flow decreased over the injury period. Also, we note that:

- the current state of the UK industry is predicated on the stability of twelve years of the measure being in force; and
- as discussed in section [G3.1](#), we assess that the COVID-19 pandemic had a positive effect on the UK industry during supply chain disruptions, and, as stated in the UK industry's questionnaire response, the seemingly healthy performance over the injury period was likely inflated for this reason and is unlikely to be replicated over the long term.

193. We have considered the effects of COVID-19 and imports from third countries. We assess that the COVID-19 pandemic had a positive effect on the UK industry due to many businesses being reliant on the UK industry during supply chain disruptions. However, we assess that imports from third countries may be an additional source of vulnerability, although we cannot determine the amount to which they are contributing to the vulnerability of the UK industry.

194. We assess that undercutting of the UK industry happened during the injury period and would be likely to continue to a greater degree were the measure on the goods subject to review to no longer be applied.



195. We assess that six other jurisdictions have active measures against aluminium foil (whether or not inclusive of jumbo rolls) from the PRC: European Union, USA, Argentina, Taiwan, Türkiye, and India. Also, the PRC was the largest exporter of AFR (by volume) to the UK from 2010-2023, although the PRC was the third largest over the injury period, accountable for 10% of all imports behind Poland and Belgium who were accountable for 24% and 18% respectively.
196. We assess that it is likely that the UK industry has suffered historic injury as a result of dumped imports.
197. Overall, we have determined that the UK industry, although it has likely benefitted from a sudden and temporary shift in the market, finds itself to be vulnerable to dumped imports of AFR if the anti-dumping amounts were no longer applied to the goods subject to review. Whilst various economic factors (such as the UK industry's sales, output and market share) had temporarily increased significantly during the years positively affected by the COVID-19 pandemic, we assess that figures are returning to pre-pandemic levels. We assess that price is likely to be the most important factor in customers' purchasing decisions, and that PRC prices undercut the indicative prices of AFR produced by the UK industry in the POI by nearly 40%. It is notable that, in particular, profit margins appear to be reducing putting UK industry in a vulnerable situation. This would be more likely if the already significant import volumes of AFR from the PRC were to increase even further should measures be revoked; and, similarly, would be more likely if these imports were to further undercut the UK industry's like goods if duties were no longer applied. This would result in a significant downward pressure on the UK industry's domestic sales prices with UK industry being forced to further reduce profit margins in order to compete with low-priced AFR from the PRC. We also assessed that the UK industry has suffered historic injury as a result of dumped imports. Therefore, we assess that it is likely, on the balance of probabilities, that injury is likely to recur to the UK industry in the like goods if the measure were no longer applied to the goods subject to review.

## Section H: Economic Interest Test

### H1. Introduction

198. The aim of the EIT is to determine whether extending the existing measure's application on the goods subject to review imported from PRC, is in the economic interest of the United Kingdom.
199. In accordance with paragraph 25 of Schedule 4 to the Taxation 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 UK.



200. In line with paragraph 25 of Schedule 4 to the Taxation Act, we have taken account of the following factors in conducting the EIT:

- the injury caused by the dumping of goods subject to review to the UK industry in the like goods 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 on affected industries and consumers in the UK;
- the likely impact on particular geographic areas, or particular groups, in the UK;
- the likely consequences for the competitive environment, and for the structure of markets for goods, in the UK; and
- such other matters as the TRA considers relevant.

### H1.1 Evidence base

201. In addition to the evidence submitted as set out in section [C2](#), we published a survey for consumers, upstream and downstream businesses. Once ineligible responses had been removed, the remaining responses were from:

- 7 downstream businesses; and
- 4 consumers.

## H2. Injury caused by dumped imports and benefits to UK industry in removing injury

202. [Section G](#) sets out the injury likelihood assessment. It concluded that, if the measure was not extended, injury to UK industry would be likely to recur.

## H3. Economic significance of affected industries and consumers in the UK

203. We have identified the following groups within the UK that are currently affected by the measure:

- **UK upstream businesses:** primarily manufacturers of cardboard packaging materials, noting that the majority of raw aluminium used in the production of AFR in the UK is imported;
- **UK producers of AFR:** primarily processing imported jumbo rolls of aluminium foil (weighing 200-500kg) into the goods subject to review;
- **UK importers & downstream businesses of AFR:** includes vendors who sell AFR to end-users, and pharmaceutical, food, catering, and beauty businesses who use AFR in their products; and
- **Consumers of AFR.**

204. We have attributed all businesses to one of these groups based upon their principal business activity to avoid double-counting. We have combined importers and



downstream businesses due to overlap within these groups. It was not feasible to fully investigate all known businesses in each of the three groups, given case resource and time constraints. We instead looked at a selection. For each business we looked at financial data from financial statements spanning the five most recent reporting periods.

### **H3.1 UK upstream businesses**

205. From our sources, we identified 12 UK businesses which sell materials used in the production of AFR. We selected three businesses for further investigation which accounted for more than 75% of the value of Prowrap's raw materials purchases.
206. Purchases by Prowrap equate to less than 1% of turnover for the three selected upstream businesses. We judged UK production of AFR to therefore be not important to them.
207. In combination, these three businesses employed 3,717 staff, had £1,030m annual turnover, 12% average EBITDA margin, and annual gross value added (GVA) of £318m. Given positive growth and profits, they were not deemed vulnerable to economic shocks. This data additionally suggests that this part of the AFR supply chain is comparatively more significant to the UK economy than some other parts.

### **H3.2 UK producers**

208. We are aware of seven UK producers of AFR, although one (CEDO) didn't produce the like goods in the injury period. We sought to remove those businesses for which AFR production was not a major activity. Using desk research, due to a lack of available data, we identified four businesses for whom AFR was a primary good which produced the like goods over the injury period. For the other two businesses, we judged AFR to not be a major product for them. We therefore decided not to select them for further investigation.
209. For the remaining four producers, we estimated the importance of the AFR to them, using data available from those businesses registered to the case, looking at AFR sales relative to their total turnover. We deemed the product to be very important.
210. These four producers combined employed approximately 200 staff, had £48m of annual turnover, and a GVA of £12m per year. They had positive growth and healthy profits, so as a group are not necessarily in a vulnerable position. This data additionally suggests that this part of the AFR supply chain is comparatively less significant to the UK economy than some other parts.

### **H3.3 UK importers & downstream businesses**

211. Using UK producer questionnaires and HMRC Overseas Trade Statistic (OTS), we were able to identify 166 UK businesses which import, sell and/or use AFR in their



products or services. The majority of these were businesses who supply AFR to SMEs, including in the hair & beauty, retail or catering industries; but some were much larger, like the supermarket-chains Morrisons, ASDA and Lidl.

212. We expect the total number of importers and downstream businesses to be much larger than the number we identified analytically. The National Hair and Beauty Federation suggests there were over 61,000 hair and beauty businesses in the UK in 2023<sup>2</sup>; and there are over 50,000 convenience stores<sup>3</sup>, according to the Association of Convenience Stores. There are likely to be additional businesses beyond these.
213. With potentially so many importers and downstream businesses, it was difficult to identify a representative selection. We decided to select four downstream businesses – who responded to our Business & Consumer Survey indicating that AFR is at least somewhat important to them – as a representative sample of the downstream. These businesses included hair and beauty and pharmaceutical suppliers. These were comparatively smaller businesses in terms of their employment.
214. In addition, we identified 10 of the largest importers of AFR. These were comparatively larger businesses in terms of their employment. We did not include the largest retailers because we judged that AFR is unlikely to be an important product for them, given the wide variety of products they also sell.
215. The combined 14 businesses employed 6,855 staff, had annual turnover of £997m and GVA of £318m. As a group these selected importers and downstream businesses appeared to be vulnerable to negative economic shocks with poor growth and low profits. This data additionally suggests that this part of the AFR supply chain is comparatively more significant to the UK economy than some other parts.

### H3.4 Consumers

216. We received four consumer responses to our Business & Consumer Survey. Given the limited number of responses, we cannot draw strong conclusions from the survey. However, respondents were evenly split between price and type (e.g. length, width, etc.) as the most important factor they consider buying AFR. All respondents said the next important factor was quality.
217. Questionnaire responses from producers and importers suggest that in the majority of circumstances there are no close substitutes for AFR. This evidence suggests that demand for AFR is unlikely to be sensitive to changes in prices.

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<sup>2</sup> <https://www.nhbf.co.uk/documents/industry-statistics-2023-sheet/>

<sup>3</sup> <https://www.acs.org.uk/research/local-shop-report>



### H3.5 Summary table

218. Table 14 summarises the economic significance of the selected businesses, within each part of the supply chain. It shows that AFR is most important to UK producers, followed by UK importers & downstream businesses, and finally UK upstream businesses for whom it is not important. Upstream businesses and producers are estimated to not be vulnerable to economic shocks, whilst importers & downstream businesses are vulnerable due to less healthy finances as shown by lower profit margins (EBITDA). Upstream businesses, and importers & downstream businesses are of comparatively higher significance to the UK economy, than producers.

**Table 14: Summary table for the significance metrics for affected industries**

	UK upstream businesses	UK producers	UK importers & downstream businesses
<b>Total identified businesses</b>	12	6	166
<b>Number of businesses selected for further investigation</b>	3	4	14
<b>Estimated importance of AFR to selected businesses</b>	Not important (sales to Prowrap vs turnover)	Very important (sales of AFR vs turnover)	Somewhat important (relevant commodity import %)
<b>Total employment of selected businesses</b>	3,717	200	6,855
<b>Total turnover of selected businesses (£m)</b>	1,030	48*	997*
<b>Total GVA of selected businesses (£m)</b>	318	12*	318*
<b>Total EBITDA of selected businesses (£m)</b>	123	6*	92*
<b>Weighted average EBITDA margin for selected businesses (%)</b>	12%	12%*	9%*
<b>Vulnerability to economic shocks</b>	Low vulnerability – positive growth and healthy profit margins	Low vulnerability – positive growth and healthy profit margins	High vulnerability – negative growth, profit margins within range -7% to 18%, most businesses are significantly below the group average of 9%

Sources: Questionnaire responses, UK Trade Info, Companies House and Dun & Bradstreet. \*Data was only available for three of the four selected UK Producers and 11 of the 14 importers & downstream businesses because others published small business accounts.

Methodology: The importance of AFR to each group was estimated using the comparison metrics set out in brackets for each group. GVA was estimated by summing operating profits, employment costs, depreciation and amortisation. Average EBITDA margin was estimated by dividing the sum of operating profit, depreciation, and amortisation by turnover. The assessment of vulnerability to negative economic impacts was made by looking at financial data from the most recent five accounts.



## H4. Likely impact on affected industries and consumers

219. In this section, we assess the overall impact the measure might have on the affected groups identified. We do this by looking at how prices and quantities of goods in the supply chain might change in measure and no measure scenarios. Due to a range of uncertainties, we assessed multiple scenarios.

### H4.1 Evidence and key assumptions

220. Data for Prowrap's AFR sales and prices came from its questionnaire response. Due to a lack of evidence for other UK Producers, we estimated the sales for them by comparing their employment to Prowrap's; and we assumed their prices were equal to the average of Prowrap's.

221. We assumed that Prowrap's marginal costs were equivalent to its average variable costs provided in its questionnaire response. We assumed that raw material costs were variable and other costs were fixed. For our calculations, we assumed other UK producers had the same marginal costs as Prowrap.

222. We assumed that marginal costs for downstream businesses were equivalent to the costs of the AFR they purchased, which we believe is reasonable given they do not transform the product before selling on.

223. We used HMRC raw customs declaration data to estimate the market shares for PRC and third country producers.

224. Our estimate of the price elasticity of demand for AFR (between -0.5 and -1) came from our knowledge of the product and questionnaire responses. These suggest that demand for AFR is not very sensitive to prices due to a lack of alternatives in some of its uses including in food (e.g. grilling, baking, etc.), or beauty (e.g. hair treatments).

225. When we refer to tariff pass-through (PT), our assumption of the PT to downstream businesses and consumers is based on internal research by the Department for Business and Trade which found that the proportion of tariff costs passed on to downstream businesses for most goods sold in the UK typically range from 25% to 100%, and for consumers between 5% and 30%.

### H4.2 Estimated impacts in the measure scenario

*Scenario A: The measure continues to be applied*

226. If the measure was extended, we would expect that prices and quantities for AFR sold in the UK to remain similar to their current levels. This represents a continuation of current market conditions.



### H4.3 Estimated impacts in no measure scenarios

227. We have looked at three scenarios, representing a range of realistic possible outcomes, for impacts if the measure was not extended. It is unlikely that any of these scenarios represents the true impact of revoking the measure, but we predict that the real-world impacts would likely fall somewhere between them.

*Scenario B1: Prices of all AFR falls, current market shares remain the same*

228. In this scenario we assume that prices for all AFR would fall by the level of the measure and market shares would be unchanged. We think this scenario is unlikely, we do not believe UK Producers would be able to reduce their prices in this way due to higher marginal costs.

*Scenario B2: Prices of PRC AFR fall, and some UK Producers exit the UK market*

229. In this scenario we assume prices for PRC AFR would fall by the level of the measure; and, in response some UK Producers would be forced to exit the market. We assume the market share of exiting UK producers will be redistributed proportionally to PRC, third country, and other UK producers. Third country and the remaining UK producers will face greater demand and will therefore be able to keep their prices at previous levels.

230. Scenario B2 is the TRA's 'central scenario' as it is considered the most likely outcome if the measure was not extended. This follows TRA analysis that concluded that certain UK Producers are at risk of market exit when subjected to a negative economic shock following analysis looking at Altman Z-scores<sup>4</sup>.

*Scenario B3: Prices of PRC AFR fall, all UK Producers exit the market*

231. In this scenario we assume that prices for PRC AFR would fall by the level of the measure; and, in response, all UK Producers would be forced to exit the market. As a result, the market share of all UK Producers will be redistributed proportionally to PRC and third country producers. We expect third country AFR prices to stay the same due to their increased market share, as in scenario B2.

**Table 15: Summary of scenarios used in the impacts analysis**

Measure scenario	
A	Current market situation continues
No measure scenarios	
B1	Prices for all AFR decrease by the level of the measure
B2	Prices for PRC AFR decreases by the level of the measure, vulnerable UK Producers exit
B3	Prices for PRC AFR decreases by the level of the measure, all UK Producers exit market

<sup>4</sup> The Altman Z-score is a financial model that evaluates a company's likelihood of bankruptcy within two years. By combining five key financial ratios, each with different weights, the Z-score generates a single score that reflects a company's financial health, including its operational strength, liquidity, solvency, profit margins, and leverage.



## H4.4 Estimated measure impacts when compared to no measure scenarios

232. The impact of the measure can be analysed by looking at the change in estimated economic welfare between the no measure scenarios (B1, B2, and B3) and the current market situation, measure scenario (A).

233. We estimate welfare using ‘Consumer’ and ‘Producer’ surpluses, where ‘Producer surplus’ is the benefit a producer gets from selling a product; and ‘Consumer surplus’ is the benefit a consumer gets from buying the product.

234. Surplus was estimated using the following formulas:

$$\text{Producer Surplus} = (\text{Price per unit} - \text{Marginal Cost}) * \text{Quantity sold}$$

$$\Delta \text{Consumer Surplus} = \frac{Q_{\text{tariff}} + Q_{\text{no\_tariff}}}{2} * (P_{\text{no\_tariff}}^C - P_{\text{tariff}}^C)$$

235. Where:

$Q_{\text{tariff}}$  is the quantity of AFR consumed with a duty

$Q_{\text{no\_tariff}}$  is the quantity of AFR consumed without a duty

$P_{\text{no\_tariff}}^C$  is the average consumer price of AFR without a duty

$P_{\text{tariff}}^C$  is the average consumer price of AFR with a duty

236. Table 16 shows the welfare impacts for each of the modelled scenarios. The impacts on different groups are explained in the following sections.

**Table 16: Estimated measure impacts when compared to no measure scenarios**

Scenario	UK producers	UK importers & downstream	UK consumers	Total Impact*
Scenario B1	£8.4m to £2.4m	-£14.4m to -£4.3m	-£6.2m to -£1.1m	-£12.3m to -£2.9m
Scenario B2	£2.6m to £2.4m	-£1.8m to -£0.6m	-£4.2m to -£3.0m	-£3.6m to -£1.0m
Scenario B3	£15.4m	-£6.9m to -£3.1m	-£17.3m to -£15.0m	-£8.8m to -£2.7m
Average across all scenarios**	£7.8m	-£5.0m	-£7.8m	-£5.0m

\*Numbers may not total exactly, this is driven by ranges within underlying assumptions and rounding to the nearest £0.1m

\*\*The average value should not be treated as a central estimate. It serves to indicate whether the majority of scenarios are closer to the top or bottom of the range.



#### **H4.4.1 UK producers**

237. We estimate that UK producers benefit by between £2.4m and £15.4m per year due to the measure. The average benefit is £7.8m per year.
238. The smallest estimated positive impacts of the measure are where UK producers would have done most favourably in the alternative no measure scenarios (B1 and B2). Compared to these scenarios, the measure has the smallest impact as it was assumed some UK producers would still have been able to continue to compete in the market despite lower PRC prices.
239. The greatest estimated positive impacts to UK producers of extending the measure are when compared to the no measure scenario which has all UK producers exiting the UK market (scenario B3).
240. Another UK producer (CEDO) registered for this case. They did not produce in the POI and so are not represented in these figures. Assuming they represent an increase in the market for UK producers at the expense of third country and/or PRC producers, had they been included, this larger share is likely to have meant that UK producer welfare benefits would be higher.

#### **H4.4.2 UK importers and downstream businesses**

241. Our analysis suggests that UK importers and downstream businesses suffer costs of between £0.6m to £14.4m per year due to the measure. The average cost is £5.0m per year.
242. The costs will be lower where, in the no measure scenario, some UK producers remain in the market and maintain prices (scenario B2). This is because the proportion of the market which moves to lower priced PRC AFR is more limited in this scenario.

#### **H4.4.3 UK consumers**

243. Consumers are subject to the greatest range in estimated welfare impacts because they are a larger group in numbers. We estimate that UK consumers experience welfare costs of between £1.1m to £17.3m per year as a result of the measure. The average across all scenarios is £7.8m per year.
244. In the central scenario (B2), the cost to consumers ranges between £3.0m to £4.2m. Costs to consumers per kilogram purchased from extending the measure could be between £0.08 to £1.14, with the average being £0.53.

#### **H4.4.4 Overall welfare impacts**

245. Overall, the difference in modelled impacts between no measure scenarios and the measure scenario suggests a welfare loss of between £1.0m to £12.3m per year for



the UK economy. The average is £5.0m per year. There are no scenarios in which extending the measure would have a positive impact.

## H5. Likely impact on particular geographic areas, or particular groups, in the UK

### H5.1 Likely impact on particular areas

246. This section explores the likely impact of the measure geographically on businesses. We have assessed geographical significance of affected groups, using data on where those businesses selected for further investigation in our significance work have sites, combined with the working age population at the level of Travel to Work Areas (TTWAs) in Great Britain and Local Government Districts (LGDs) in Northern Ireland.
247. We used the following sources for the employment analysis:
- **Questionnaire responses:** these included data on total employment by site;
  - **Dun and Bradstreet business directory:** this provides the location of known sites and estimates of employment by site for listed companies; and
  - **ONS statistics:** providing estimates for working-age population, mean annual pay, job density, claimant count, and percentage of population with NVQ level 4 or above qualifications by TTWA in Great Britain. We use Census 2021 estimates for Northern Ireland.
248. We found one TTWA, Barnstaple, where the estimated employment from affected upstream and downstream businesses constituted a significant portion of the working-age population. Given the number of businesses not included in our investigation, it may be that other areas are affected, however, we did not have sufficient evidence to identify or analyse these.
249. One upstream business we selected for further investigation in our significance section operates in Barnstaple. It was deemed not vulnerable and so this business' employment is unlikely to be at risk.
250. Two downstream businesses selected for further investigation operate in Barnstaple. They had a combined employment of over 1% of the working age population within the TTWA. They were deemed vulnerable, and in section H3 we found the importance of AFR as a product to be somewhat important. We judge the measure's likely impact on employment of these businesses to be unclear.
251. Where a TTWA is identified, we look at the deprivation data for that area to assess whether there may be a significant impact. Table 17 outlines the deprivation indicators for Barnstaple. This TTWA has high job density, and its unemployment rate is below the national average. However, mean annual pay and educational attainment are both low. Therefore, we conclude that Barnstaple is moderately deprived.



**Table 17: Deprivation indicators for Barnstaple where AFR supply chain is an important employer**

	Mean Annual pay (full time earnings) (£) (2024 provisional)	Job density (16-64) (2019)	Claimant Count (2020)	% with NVQ level 4 qualifications or above (2021)
Barnstaple	28,159	1.08	4.60	36.3
Deciles of UK TTWAs	2	10	6	4

Sources: ONS, [LI03 Regional labour market: Local indicators for travel-to-work areas](#); ONS, Annual Survey of Hours and Earnings, [Earnings and hours worked, work-based travel to work area: ASHE Table 11 - Office for National Statistics \(ons.gov.uk\)](#); and ONS, [Nomis - Official Census and Labour Market Statistics - Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](#)

Notes: Deciles are calculated by ranking the TTWA from most deprived to least deprived and dividing them into 10 equal groups. These range from the most deprived 10% (Decile 1) of TTWAs nationally, to the least deprived 10% (Decile 10) of TTWAs nationally.

252. Overall, we do not believe the impacts on Barnstaple will be disproportionate to the benefits of addressing the injury identified in [Section G](#).

## H5.2 Likely impact on particular groups

253. The TRA considered the likely impact on particular groups including those with protected characteristics as defined by the Equality Act 2010. No evidence was identified regarding potential impacts on any particular groups, either as workers or consumers. We therefore conclude that the measure is unlikely to have any significant impact on particular groups or those with protected characteristics.

## H6. Likely consequences for the competitive environment and for the structure of markets for goods in the UK

254. 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 the incentives to compete vigorously; and
- The impact on the choices and information available to consumers.

255. We believe extending the measure is unlikely to alter the number of suppliers or competition in the market. The four UK producers who produced the like goods in the injury period (for which AFR production was a major activity) have a combined market share of around 50% in value terms. Evidence suggests consumers are sensitive to prices when choosing which producer to buy from. Despite the UK's large market share, we therefore expect the market to remain competitive, as AFR producers and retailers will not be able to change prices significantly.



256. Should the measure not be extended, we believe some UK Producers would exit the market as they are not able to compete with the PRC imports. This would reduce competition in the market.
257. We have no evidence that AFR produced in the PRC offers a difference in choice or quality as to that from the UK. We therefore do not believe that the measure will alter the choices available to consumers.

## **H7. Such other matters as the TRA considers relevant**

258. We consider any other factors additional to those set out in the legislation which have implications in concluding whether the measure is in the economic interest of the UK. We have received no evidence for other matters to consider.

## **H8. Form of measure**

259. We consider the most appropriate form of measure. The measure is an ad valorem tariff of 14.2% to 35.6% covering all products imported from the PRC under the commodity codes set out in section [D1](#). We have no evidence suggesting a change to the form of measure would be appropriate.

## **H9. Conclusion**

260. In accordance with paragraph 25 of Schedule 4 to the Taxation 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 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.
261. We concluded that, should the measure not be extended, there would be a likelihood of injury to UK AFR producers because of increased competition from dumped PRC imports.
262. Our assessment of economic significance found AFR as a product is very important to UK producers, not important to UK upstream businesses, and somewhat important to UK importers and downstream businesses. Importers and downstream businesses were found to be somewhat vulnerable to economic shocks; whilst producers and upstream businesses were found not to be. We found upstream businesses and importers and downstream to be more significant to the UK economy, when compared to producers.
263. When considering the impacts on affected businesses and consumers we identified the following key positive impacts of the measure:
- UK producer benefits of between £2.4m and £15.4m per year.
264. The contrasting potential key negative impacts of the measure are:



- Consumers would have to pay higher prices which could affect their overall welfare by between £1.1m to £17.3m per year; and
- Importers and downstream businesses could face costs of £0.6m to £14.4m per year.

265. Overall, we estimate the UK to experience a welfare loss of between £1.0m to £12.3m per year as a result of the measure.
266. In assessing the likely impacts on particular areas and groups we found one TTWA, Barnstaple, where estimated employment from affected groups constituted a significant portion of the working-age population. However, we assessed that the impacts on Barnstaple are unlikely to be disproportionate to the benefits of addressing the injury identified. There was also no evidence to suggest that any particular groups will be impacted by the measure.
267. In the competition assessment, we found no evidence that the measure significantly affects competition in the AFR market.
268. There were no other matters that the TRA identified as relevant for this anti-dumping investigation.
269. Having considered the evidence submitted by interested parties and all of the factors listed in the legislation, the TRA does not consider that the economic impacts of the measure are disproportionate to the need to remove injury and therefore conclude that the EIT is met for the anti-dumping trade remedy.



## Section I: Findings and Final Recommendation

### I1. Findings

270. The TRA has found that it is likely, on the balance of probabilities, that dumping of the goods subject to review would continue or recur if the anti-dumping amounts were no longer applied to those goods.
271. The TRA also found that it is likely, on the balance of probabilities, that injury to the UK industry in the like goods would recur if the anti-dumping amounts were no longer applied to the goods subject to review.
272. The TRA considers that the variation of the measure in accordance with our final recommendation meets the Economic Interest Test (see regulation 100(1E) of the Regulations).

### I2. Final Recommendation

273. Our final recommendation is to vary the application of the anti-dumping amounts under regulations 100(1), 100(2)(a)(i) and 100A of the Regulations. As we did not receive any compelling evidence to cause us to consider whether recalculation was appropriate, and as it has not been possible to recalculate the anti-dumping amounts, we recommend maintaining the anti-dumping amounts pursuant to regulation 100A(4)(b) of the Regulations for a period of five years from 6 June 2024, that is, the date when the measure would have otherwise expired had no transition review been initiated (see [Taxation Notice 2020/31](#); see also regulation 97C of the Regulations).
274. We make this final recommendation on the grounds that we have assessed that it is likely that dumping of the goods subject to review would continue or recur if the anti-dumping measure were no longer applied to those goods; that injury is likely to recur to the UK industry in the like goods if the measure were no longer applied to the goods subject to review; and that we consider that the variation of the measure in accordance with our final recommendation meets the EIT.
275. Annexes [1](#) and [2](#) specify the duties to be maintained and applied to the goods described or imported under the UK customs codes detailed in [Section D](#). We recommend maintaining the form and levels of the transitioned UK measure.



## Annex 1: Duty amount and additional TAP codes

Foreign country	Overseas exporter	Duty amount	Additional TAP code
The PRC	CeDo (Shanghai) Ltd, Shanghai	14.2%	B299
The PRC	Ningbo Times Aluminium Foil Technology Co. Ltd, Ningbo	15.6%	B300
The PRC	Overseas exporter specified in Annex 2	14.6%	(per Annex 2)
The PRC	All other overseas exporters (residual rate)	35.6%	B999

## Annex 2: Overseas exporters subject to 17.6% duty amount (10 companies)

#	Foreign country	Overseas exporter	Additional TAP code
1	The PRC	Able Packaging Co., Ltd	B302
2	The PRC	Guangzhou Chuanlong Aluminium Foil Product Co., Ltd	B303
3	The PRC	Ningbo Ashburn Aluminium Foil Products Co., Ltd	B304
4	The PRC	Ningbo Favored Commodity Co., Ltd	B301
5	The PRC	Shanghai Blue Diamond Aluminium Foil Manufacturing Co., Ltd	B305
6	The PRC	Weifang Quanxin Aluminum Foil Co., Ltd	B306
7	The PRC	Yuyao Caelurn Aluminium Foil Products Co., Ltd	B310
8	The PRC	Zhengzhou Zhuoshi Tech Co., Ltd	B307
9	The PRC	Zhuozhou Haoyuan Foil Industry Co., Ltd	B308
10	The PRC	Zibo Hengzhou Aluminium Plastic Packing Material Co., Ltd	B309



## Annex 3: Interested parties and contributors

Summary of information received from interested parties and contributors

#	Name	Information received	Status
1	Prowrap Limited (‘Prowrap’)	- <a href="#">Registration of interest</a> - <a href="#">Questionnaire response</a> - <a href="#">Questionnaire annex</a> - <a href="#">Verification Report</a>	UK producer
2	CEDO Limited (‘CEDO’)	- <a href="#">Registration of interest</a> - <a href="#">Submission (definition of the UK industry)</a> - <a href="#">Questionnaire response and annex</a>	UK producer (post-injury period)
3	WM MORRISON SUPERMARKETS LIMITED (‘Morrisons’)	- <a href="#">Registration of interest</a> - <a href="#">Questionnaire response</a> - <a href="#">Questionnaire annex</a>	Importer
4	Qingdao Wohler Aluminium Environmental Technology Co., Ltd (‘Wohler Qingdao’)	- <a href="#">Registration of interest</a> - Questionnaire responses and annexes: - <a href="#">Wohler Qingdao</a> ; - <a href="#">Wohler Household</a> ; - <a href="#">Wohler Aluminium</a> ; and - <a href="#">Non-confidential summaries</a> . - <a href="#">SEF response</a>	Exporter
5	NINGBO FAVORED COMMODITY CO.,LTD (‘Ningbo Favored’)	- <a href="#">Registration of interest</a>	Exporter
6	Ningbo Times Aluminium Foil Technology Corp.,Ltd (‘Ningbo Times’)	- <a href="#">Registration of interest</a>	Exporter