Trade Remedies Authority

Anti-dumping and Subsidy Investigations:

Application form

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

☐Confidential
☒ Non-Confidential – will be made publicly available

Please note that you will have to provide **two copies of your response** – a **Confidential** and a **Non-Confidential version.** Both copies should be returned to the TRA using the Trade Remedies Service (www.trade-remedies.service.gov.uk).

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About us

The Trade Remedies Authority (TRA) is an arm length body of the UK's Department for Business and Trade. It carries out trade remedies investigations to find out if a new trade measure may be needed to counter dumped or subsidised imports or a sudden surge in imports.

The legislative framework that the TRA operates under is found in the Taxation (Cross-border Trade) Act 2018) ('the Act') and the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 ('the Regulations').

About you

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

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

You can find out more about our remit and how we work by reading our guidance on trade remedies investigations.

About this form

Complete this form and the relevant annexes if you want to apply for a new anti-dumping or subsidy investigation. This form will give us the information we need to decide whether to initiate an investigation into your concerns. You can find more information on how we assess applications in our guidance.

You must submit your application online through the Trade Remedies Service (https://www.trade-remedies.service.gov.uk). When you submit your application, you must also submit a non-confidential version (including the annexes) which doesn't contain any data you think is sensitive (for instance, commercial data about your company), as we are required to publish a copy of the application form. You can find out more about what can be considered confidential and how to prepare a non-confidential version of your documents in our guidance.

If you are considering submitting an application and would like to discuss it with someone first, please email contact@traderemedies.gov.uk. You can find more on completing this application in our Pre-Application Office and application assessment guidance.

If you have any issues or queries about using the Trade Remedies Service, please email help@traderemedies.gov.uk.

What happens next

Once you have completed this application form you can share a confidential version with the Pre-Application Office to get feedback before you formally submit your application. When you formally submit your application, you will need to submit a confidential and a non-confidential version of this form. Please upload these through our Trade Remedies Service at www.trade-remedies.service.gov.uk.

Once you have done this:

- you will receive an email confirming the documents have been uploaded successfully;
- the assessor(s) of your application will contact you if further information is required; and
- the assessor(s) of your application may contact you to arrange a visit to verify the information contained in your responses.

How to complete this application form

Please read and follow all the instructions carefully. You will need to provide evidence to support your concerns. You may need to attach supporting documents in appendices to supplement the answers you give.

Please also note the following points:

- Try to avoid leaving any questions blank. If the question isn't relevant to you, please try to explain why.
- If the answer to a question is "zero", "no", "none" or "not applicable", please write this rather than leaving the answer blank.
- If you feel you can't present the information as requested, please contact the Pre-Application Office by emailing contact@traderemedies.gov.uk.
- If there is not enough space in any part of the application form to provide a full answer, please attach appendices. Please ensure that any attachments are given a corresponding appendix reference in the title of the document and that these are referenced in the boxes provided.
- If you include any documents not in English, please provide an English translation.
- Provide all dates in the format DD/MM/YYYY (e.g. 23/05/2019).

- For all numerical figures, where appropriate please express every third number with a comma (e.g. ‘1,300’ for one-thousand three hundred, ‘1,300,000’ for one million and three-hundred thousand).
- Limit all sales/currency/income figures to two decimal places and use the appropriate currency symbol (e.g. £1,300.00).
- All figures should be reported net of tax unless otherwise stated.
- For definitions of the incoterms used throughout this document, please visit the International Chamber of Commerce.

Section A: About The Goods

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

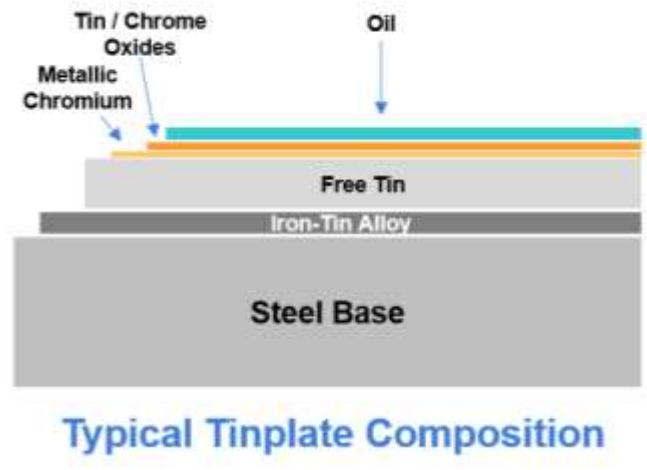
You can only ask us to investigate imported goods if you (or the industry you represent) produce 'like goods'. Like goods are defined as goods which are similar to the goods under investigation in all respects or have characteristics which closely resemble them. When we decide what are like goods, we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

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

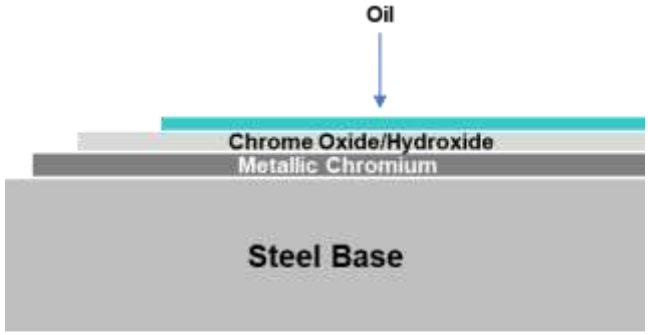
The Imported Goods

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

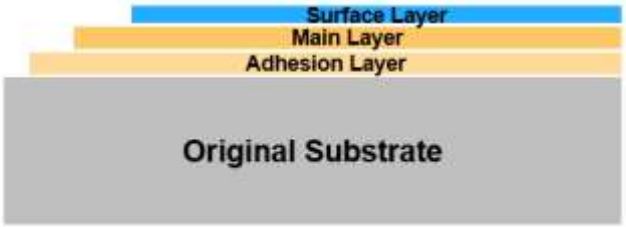
This application concerns tin mill products. These are flat-rolled products, of iron or non-alloy steel, coated or plated with tin, whether or not coated with a plastic material and/or varnished ("tinplate") and flat-rolled products, of iron or non-alloy steel coated with chromium oxides or with chromium and chromium oxides (also called electrolytic chromium coated steel or "ECCS"). The diagrams below show the structure of tinplate and ECCS as both follow a similar structure:



Typical Tinplate Composition



Typical ECCS Composition



Typical Protact Composition

Tin mill products are characterized by their use in packaging.[1] They are known for their paint adhesion, as well as its high heat resistance, stability, recyclability, break resistance, gas density, and light proofness.

Appendix reference: A.1

[1] *See* Tata Steel Europe's Steel for packaging applications – Product Range and technical specification, attached as Appendix A.1 and available at: https://www.tatasteeleurope.com/sites/default/files/tata-steel-packaging-tinplate-product-range-EN.pdf.

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

The country this application is concerned about is the People's Republic of China.

Appendix reference: N/A

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

Tin mill products are classified under the following commodity codes:

- 7210 11 00 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated; plated or coated with tin, of a thickness of 0.5 mm or more
- 7210 12 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated; plated or coated with tin, of a thickness of less than 0.5 mm
- ex 7210 70 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more; painted, varnished or coated with plastics
- 7210 90 30 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated; other; clad
- 7210 90 40 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated; other; tinned and printed
- ex 7210 90 80 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated; other; other
- 7212 10 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated; plated or coated with tin
- ex 7212 40 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, painted, varnished or coated with plastics
- 7212 30 00 – Flat-rolled products of iron or non-alloy steel, of a width of < 600 mm, clad, plated or coated, otherwise plated or coated with zinc
- 7212 50 20 – Flat-rolled products of iron or non-alloy steel, of a width of < 600 mm, clad, plated or coated, otherwise plated or coated, plated or coated with chromium oxides or with chromium and chromium oxides
- 7210 50 00 – Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, plated or coated with chromium oxides or with chromium and chromium oxides

Appendix reference: N/A

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

United States: The US Department of Commerce determined final anti-dumping rates of 111.98%-122.52% and countervailable subsidy rates between 331.88% and 649.98% against tin mill products from China.[2] However, the US International Trade Commission did not find that they injured the domestic American industry[3] so ultimately measures were not imposed. It is important to note the market conditions for the US tin mill industry are very different from those for the UK tin mill industry. For example, the US market is the highest priced market in the world. As such, the finding with regard to injury to the US industry should not impact the view of injury clearly affecting the UK industry. In addition, the imported goods are subject to the US Section 232 measures.

European Union: Anti-dumping margins ranging from 30.7% to 77.9% were placed on electrolytic chromium coated steel products from China on 15 November 2022.[4] An anti-dumping investigation into tinplate products from China was also launched on 16 May 2024.[5] The imported goods are also subject to the EU safeguard measures under product category 6 (tin mill products) which are expected to be extended until June 2026.[6]

Brazil: An anti-dumping investigation into Chinese tinplate and chromium-coated steel (ECCS) products was announced on 1 March 2024.[7]

United Kingdom: Similarly to the EU safeguard measures, the UK safeguard measures apply to the imported goods under product category 6. The TRA have already concluded an extension review with a recommendation that the measures in question be extended until 30 June 2026.[8]

Appendix reference: N/A

2 *See* Tin Mill Products From the People's Republic of China: Final Affirmative Determination of Sales at Less-Than-Fair Value and Final Affirmative Determination of Critical Circumstances, Docket number: A-570-150, available here; and Tin Mill Products From the People's Republic of China: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination, in Part, Docket Number: C-570-151, available here.

3 *See* Tin Mill Products From Canada, China, And Germany Do Not Injure U.S. Industry, says USITC, 6 February 2024, available here.

4 *See* Commission Implementing Regulation (EU) 2022/2247 of 15 November 2022 imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of electrolytic chromium coated steel products originating in the People's Republic of China and Brazil, available here.

5 Notice of initiation of an anti-dumping proceeding concerning imports of flat-rolled products of iron or non-alloy steel plated or coated with tin (tinplate) originating in the People's Republic of China, available here.

6 See WTO Committee on Safeguards, Notification Pursuant to Article 12.1(c) and Article 9, Footnote 2 of the Agreement on Safeguards (29 May 2024) available here.

7 *See* Brazilian Ministry of Development, Industry, Trade and Services/Secretariat of Foreign Trade, 'Circular No. 9, de 29 de Fevereiro de 2024', Diário Oficial da União (1 March 2024) available here.

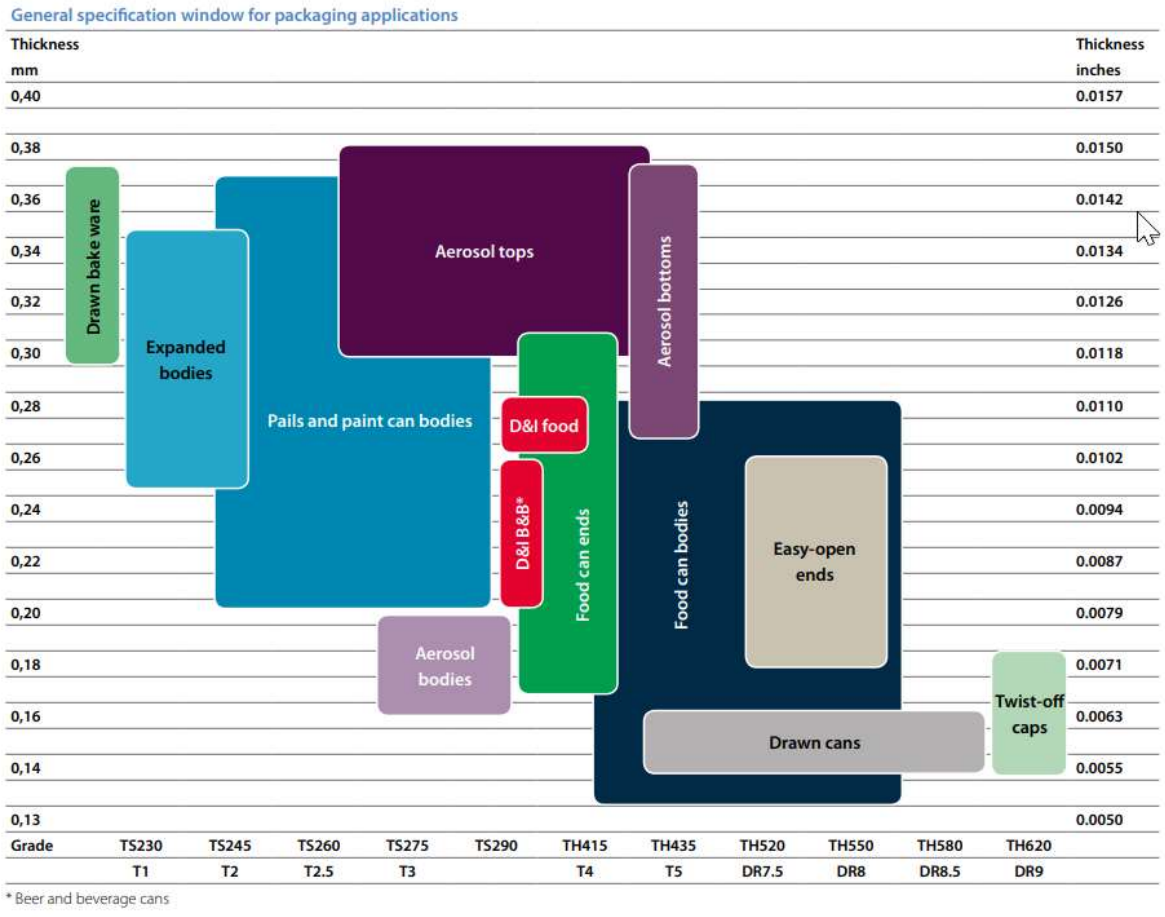
8 TRA, Final Determination: SE0041 – Extension review of safeguard measure on certain steel products (10 April 2024) available here.

The Like Goods

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

As the Applicant is the only producer of tin mill products in the UK, the Applicant's catalogue shows how the UK industry markets and produces tin mill products. As Appendix A.1 shows, the Applicant's product range and technical specifications cover a broad range of the products used by end-users. This publication describes the wide variety of specifications that the Applicant can meet in producing tin mill products for customers.

The image below taken from the publication shows the matrix of specifications and uses that are readily available to the market by the UK industry:



It should also be noted, as it is mentioned in the image, that bespoke requirements can be met for customers who have requirements outside of the general specifications mentioned in the publication and the graphic above. Applications are specified by the customers and can include both 3-piece cans and 2-piece drawn cans. The product supplied will match the customer's end application requirements.

As discussed in more detail below, the production of these products is done to an international standard and as an input to a wide variety of packaging uses. The Applicant markets their tin mill products especially to producers of aerosols, food, beverage, paint and industrial, and promotional packaging products.[9]

Appendix reference: A.1

Comparability between the Goods

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

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

Tin mill products produced and sold in China and exported from China to the UK and products produced and sold in the UK have the same basic physical, technical and chemical characteristics, are produced by the same basic technology on similar production facilities and have the same uses.

Appendix reference: N/A

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

Differences in tin mill products are based primarily on the steel grade and the coating type and thickness. Other characteristics, such as the product's width and/or thickness or the temper applied to the product, also contribute to the difference between various products. This being said, while the maximum differences between common tin mill widths and thicknesses may be significant, the product mix of Chinese tin mill producers still reflects that of the UK producer. This is because tin mill products are in large part sold for cans, and a relatively small number of common types of tin mill products are needed by the makers of the cans and for other uses discussed below (*see* APPENDIX A.1). Therefore, the possible, albeit small, variations in tin mill product types do not in any way compromise the calculation of the relevant injury and dumping margins.

Appendix reference: A.1

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

[9] *See* Appendix A.1 for the Applicant's technical specification, and the related marketing materials for each of the major product groups mentioned.

As discussed in the response to question 1 in "The Imported Goods" section above, tin mill products are covered by two major product groups, tinplate and ECCS. The commodity codes listed in response to question 3 in "The Imported Goods" section above also capture the like goods produced by UK industry that are the subject of this application.

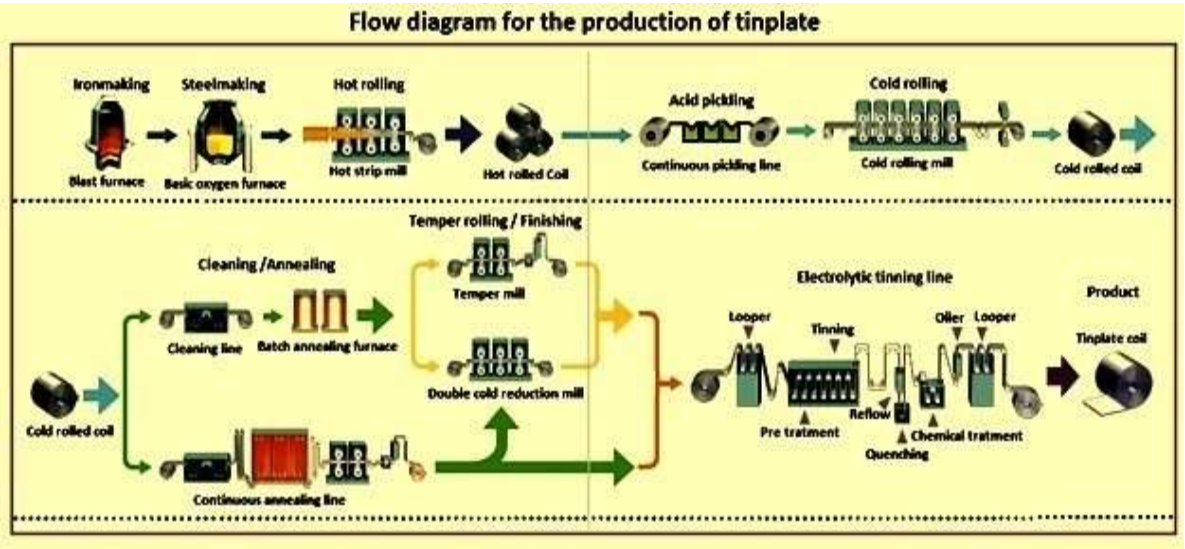
Appendix reference: N/A

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

Tin mill products are produced according to international standards including EN, ASTM and ISO. Basic properties and production ways are comparable worldwide. The production process for all major suppliers is basically the same, starting from hot band, production of black plate and tinning or chromium coating, which is made by every producer (integrated mills or mills within the companies).

ECCS is chromium coated, as opposed to tinplate, which is coated with tin on both sides. With the exception of the coating process itself, tinplate and ECCS are produced on the same production lines.

As shown on the diagram, tinplate is produced via the following stages (the process for ECCS is almost the same as discussed above):



10

Hot rolling and cold reduction

Steel coils are produced from molten steel that is either cast into slabs that are rolled into slabs in a separate mill. While hot, the slabs are reduced in thickness and greatly elongated by further rolling through a series of roughing and finishing stands in a hot-strip mill. The hot

10 *See* https://www.ispatguru.com/tinplate/.

strip passes between rolls in successive roll stands being reduced to a predetermined thickness, typically between 1.6 and 2.5 mm. On leaving the last finishing stand, the strip is coiled.

After cooling, the hot-rolled strip is uncoiled and pickled by passing it through a series of tanks or sprays of diluted acid to remove the oxide scale formed during the hot-rolling process. The pickled strip is then typically dried, oiled, and recoiled. The hot-rolled and pickled strip is cold reduced by passing it through a series of rolls, in much the same manner as in the hot-rolling operation, except that a lubricant is applied between the stands as an aid in reduction and to prevent undue heating of the rolls and strip. Because the cold-reduction process hardens the strip, the strip must be annealed.

Annealing

Annealing is a heat treatment process that changes the physical (and sometimes the chemical) properties of a material to increase ductility and reduce the hardness to make the material more workable. There are two basic types of annealing operations for cold-rolled strip: batch annealing and continuous annealing.

In batch annealing, the coiled strips are placed in a sealed container and slowly heated to, and cooled from, a subcritical temperature to soften the steel and to relieve stresses produced during rolling. To reduce oxidation, an inert or slightly reducing gas is introduced into the container during the operation. Batch annealing produces a steel product with a relatively bright surface finish and relatively greater flexibility than continuous annealing.

Continuous annealing takes place by passing the cold-reduced strip through a series of vertical passes within a furnace consisting of heating, soaking, and cooling zones. The strip is heated rapidly to the desired temperature and cooled before leaving the process. This process results in a product with less flexibility than batch-annealed steel.

Once the strip is annealed, it undergoes further processing. Single-reduced strip is temper rolled, while double-reduced strip (as its name implies) is subjected to a second cold-reduction process. Each of these processes is described below.

Temper rolling

After annealing, single-reduced strip is rolled in one or more passes through a temper mill. The object of temper rolling is to improve mechanical and surface properties by imparting the desired degree of stiffness and hardness, minimizing fluting and stretcher straining, and producing the desired surface type or texture.

Additional cold reduction

Double-reduced strip is typically not temper rolled; instead, it is subjected to a second cold-reduction process after annealing to impart mechanical and surface properties to the steel. This reduction is accomplished by passing the strip through either a single roller, or a series of rollers, using a suitable lubricant. This second cold reduction supplies the final thickness and finish and the desired stiffness, strength, and flatness. It also produces a stronger, lighter weight product.

After final reduction, the coils are ready to be trimmed and sheared, which occurs in a series of operations. This product, known as “black plate,” is highly susceptible to rusting in storage

and transportation. Therefore, it is typically oiled – or chemically treated and then oiled – after cold reduction. The oil is later removed prior to coating.

Coating

In the electroplating process, the temper-rolled or double-reduced coiled strip travels through a lower and upper plating unit where individual plating cells are arranged in tandem. The plating cells contain the plating solution – in most cases a stannous tin-containing sulphonic acid for tinplate, or chromium for ECCS. A conductor roll at the end of each cell rides along the top surface of the strip and serves as the cathode, while the tin-coating, or chromium for ECCS, material is deposited in the bottom of each cell and serves as the anode. The coating material dissolves into the plating solution and is electrochemically deposited on the steel substrate. The electroplating process is followed by rinsing, drying, quenching, passivation, and applying a lubricating film.

Further to the coating process, it is also possible to apply a film coating to the product. While it is possible to apply this to tinplate, it is more commonly added to the ECCS product. This film coating is applied to reduce processing requirements for the customer and allows use in niche markets, including baby food.

Appendix reference: N/A

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

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

General uses

Tin mill products are typically used for consumer and industrial packaging. They are most frequently used for food packaging – for example in can tops and bottoms, twist-off caps, screw and lug caps, snap and press-on closures, crown corks, tabs, and shallow-drawn food cans, and three-piece cans (*see* APPENDIX A.1). They are also used for other purposes, such as aerosols, general line (paint/oil cans), promotional packaging such as biscuit tins, external parts for home appliances, photographic film cases, protective material for optical fibre protection or other electrical and electronic parts.

ECCS is not suitable for welding or soldering. Its appearance is considered less attractive (lower brightness) than tinplate. However, the absence of tin makes ECCS not appropriate for acidic food (pH < 4) due to the lower corrosion resistance. Some specific grades can be used for bakeware applications.

There are no differences between UK-produced tin mill products and those imported from China.

Market segmentation

As a commodity product, there is limited market segmentation. There is some differentiation between tinplate and ECCS due to the difference in coating leading to some variation in uses as discussed above.

Government regulation or tax

There is no specific government regulation or tax for this product type. Steel produced in the UK has the additional carbon pricing through the UK's ETS which it must consider. It is also important to note that Applicant conforms to the high-level of environment and labour rules and regulations which as discussed above is not present in China at the same high level.

Distribution and marketing

Tin mill products manufactured in the UK are generally sold, either in coils or already cut in sheets, directly to end-users (typically to food can producers). Sometimes tin mill products are distributed to end-users through third party processor or stockholders, but this remains the exception. The majority of the product sold by UK producer goes directly to unrelated end customers.

Chinese tin mill products imported in the UK are either distributed directly to end-users or via traders.

Competition within the overall market

In the UK the Applicant is the only domestic producer of tin mill products. There is production in the EU for these products and several of the main exporting countries into the UK market are Member States of the EU. As detailed below, these imports do not injure the Applicant as they are also selling at a fair price on a level-playing field with the Applicant

unlike imports from China, which as described in detail below, are not entering the UK market on a level-playing field with the UK producer and are therefore distorting competition in the overall market.

Pricing, contract terms and price sensitivity

As discussed elsewhere in this application, prices are largely negotiated annually for UK production while Chinese producers rely on more dynamic spot pricing. Annual contracts tend to include a price and volume agreement. As an input material for finished products, most notably in can manufacturing for food, there is significant price sensitivity.

Trends and drivers of demand

As the main user of these steel products are packaging manufacturers for food, drivers of demand for the downstream food product can have a material impact on the demand for this type of steel. Indeed, a poor harvest can have a direct impact on the demand for this product as there may be fewer vegetables to can and sell in cans. Cost of living and sustainability concerns, such as food waste, also impact the demand for tinned food products.

Technology affecting the products and their production

As the metal involved in the production of tin mill products is rolled steel, important technology and investments in decarbonising the production of raw steel will be key to ensuring that the UK's production of tin mill products meet the high-level of environmental and sustainability protections present in the UK and absent in some other parts of the world.

Other commercially significant goods in the market which could be substituted

Tin mill products are specialty steel products which are not easily substituted for other steel goods. Given its relative lightweight, high level of recyclability, ability to withstand heat and ease of use for food packaging it is not easily substituted for other food packaging products such as glass or plastic due to their weight and inability to withstand high heat respectfully.

Appendix reference: A.1

6. We give goods in our investigations Product Control Numbers (PCNs) which are identifiers unique to our work and are created on the basis of the main characteristics differentiating the goods from other goods. We use PCNs to allow comparison between products made by domestic and foreign producers. The accuracy of the TRA's PCN structure is directly proportionate to information supplied by the applicant. If the goods concerned covers a range of goods with different characteristics that would affect comparability:

   - Please describe the key physical characteristics that have a consequential and material effect on prices, with the list of characteristics going from most to least consequential

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

As discussed above, tin mill products – tin plate and ECCS – are very similar. The differences are due to the finishing processes that allow for slight differences in final uses.

The Applicant would propose using a structure relating to these distinctions:

Characteristic	Description	PCN Value
Coating Type	Tinplate	T
	Chromium	E
Grade	Drawn and Wall Ironed	D
	Non-Drawn and Wall Ironed	N
Gauge (Thickness)	Up to 0.179 mm	1
	From 0.180 to 0.219 mm	2
	From 0.220 to 0.299 mm	3
	Above 0.299 mm	4
Coating Weight	<= 4 g/m2	1
	>4 to <= 8 g/m2	2
	>8 to <= 12 g/m2	3
	>12 to <= 16 g/m2	4
	>16 g/m2	5
Width	Up to 599 mm	A
	From 600 to 899 mm	B
	From 900 to 1099 mm	C
	Above 1099 mm	D
Cold Reduction	Single	S
	Double Reduced	R
Form	Coil	C
	Cut-to-length sheet	L

Appendix reference: N/A

Section B: About the Application

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

Applicant Information

Name of Applicant

Tata Steel UK Limited

Address

18 Grosvenor Place, London, SW1X 7HS

Email

[*Redacted – contains personal data*]

Telephone

[*Redacted – contains personal data*]

Contact Name

[*Redacted – contains personal data*]

Company Ownership (provide broad details of shareholding)

Private Limited Company owned by Tata Steel Limited

Name of Lawyer/Representative

White & Case LLP • James Killick (James.Killick@whitecase.com) • Chris Thomas (Chris.Thomas@whitecase.com)

Period of Investigation

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

The POI is the calendar year of 2023, i.e., 1 January 2023 until 31 December 2023.

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

The total volume produced in the UK for the POI was [*275,000-325,000 tonnes with a value of £350,000,000-400,000,000*]. More detailed information on production and sales for the POI is provided in Appendix B.1 and Annex 1.

Section C: About Other Interested Parties

UK Producers

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

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

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

UK producer - The Applicant is the only tin mill products producer in the UK.	
Legal name of company:	-
Name (point of contact):	-
Role:	-
Address:	-
Telephone No:	-
Email:	-
Company website:	-
Goods produced Please list all the UK-made goods this producer makes which are sold on the UK market and are like the imports this application is about	
-	
Position regarding application (delete as applicable)	~~Support/oppose/undeclared~~

Other Parties

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

Name:	Baoshan Iron & Steel Co., Ltd
Address:	Baosteel Command Center No. 885 Fujin Road, Baoshan District SHANGHAI, SHA 201900 China
Email:	
Telephone Number:	+86 (21) 26647000

Name:	Shougang Jingtang United Iron & Steel Co., Ltd
Address:	Steel Power Park Caofeidian Industrial Zone Tangshan, 063200 China
Email:	
Telephone Number:	

Name:	Handan Jintai Packing Material Co., Ltd.
Address:	No.30 Juliang Road,Industrial Park, Cheng'An County, Handan, Hebei, China, Handan, Hebei 065000, CN
Email:	
Telephone Number:	+86 0310 4601816

Name:	Shanghai Meishan Iron & Steel Co., Ltd
Address:	Zhonghuamen Wai Xinjian, Yuhuatai District Nanjing, Jiangsu, 210039 China
Email:	
Telephone Number:	

Name:	Shougang Casey Steel Co., Ltd.
Address:	Shijingshan Beijing Shougang factory East Gate 100041
Email:	
Telephone Number:	+86 1088 291114

Name:	Wisco-Nippon Steel Tinplate Co., Ltd

Address:	Changqian, Qingshan District, Wuhan City, Hubei Province, China
Email:	
Telephone Number:	+86 2786 219283

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

Name:	Tinmasters Ltd
Address:	Bryntywod, Swansea SA5 7LN
Email:	[*Redacted – contains personal data*]
Telephone Number:	
Contact person (if available)	
Nature of their business (retailer/agent etc)	Metal printer

Name:	Envases Liverpool Ltd
Address:	Bootle L20 6HX, United Kingdom
Email:	[*Redacted – contains personal data*]
Telephone Number:	
Contact person (if available)	
Nature of their business (retailer/agent etc)	Manufacturer of tinplate packaging (from 250 ml up to 25 litres)

Name:	Trivium
Address:	Coxmoor Rd, Sutton-in-Ashfield NG17 5LA, United Kingdom
Email:	[*Redacted – contains personal data*]
Telephone Number:	
Contact person (if available)	
Nature of their business (retailer/agent etc)	Manufacturing of food packaging and aerosols

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

Name:	UK Steel
Address:	Broadway House, Tothill St, London SW1H 9NQ
Email:	[*Redacted – contains personal data*]
Telephone Number:	
Contact Person (if available)	

Section D: Representativeness

Summary of UK Producer support or opposition for this application

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

The Applicant is the only UK producer of tin mill products.

Market Share

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

The Applicant had an estimated [*60-80%*] of the UK market for tin mill products during the POI.

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

Not applicable.

Related Persons

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

The Applicant is a part of the global Tata Group. TSUK's sister company, Tata Steel Nederlands, exports a limited volume of the goods to independent end customers in the UK.

Section E: About the allegedly dumped imports you want us to investigate

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

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

Sufficiency Test

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

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

The Applicant is aware of imports of the tin mill products that originate from:

- China
- France
- Germany
- Greece[11]
- Netherlands
- South Korea
- Taiwan
- Turkey

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

[11] We believe that this is a Greek SSC re-exporting a small amount of product to the UK, as we are not aware of any tin mill production in the country. TRA may wish to confirm whether the imports genuinely qualify for Greek origin.

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

The information has been gathered from HMRC customs information available through the Trade Data Monitor.

Normal value

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

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

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

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

The methods are:

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

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

- the goods are not sold in the ordinary course of trade in the domestic market of the exporting country;
- these sales on the domestic market of the exporting country sales don't allow a proper comparison with their sales on foreign markets because of:
    - a particular market situation;
    - low volume of sales in the domestic market of the exporting country;
- the overseas exporter does not sell these goods in their domestic market;
- the imports are from a particular foreign country – this is a specific term defined under Regulation 14 of the Dumping & Subsidy Regulations which means that it's difficult to use prices of goods in that country as a fair comparison.

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

Method

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

The normal value has been constructed exclusively on the basis of costs of production and sale which reflect undistorted prices or benchmarks – that is, on the basis of corresponding costs of production and sale in an appropriate representative country, namely Brazil (see the "Appropriate third country" section below for more detail).

The legal basis for this approach is as follows:

- Regulation 7(1) of the D&S Regulations provides that the "*TRA must use the comparable price to determine the normal value unless it is not appropriate to use that price*".
- Regulation 7(2)(b) provides that "*it is not appropriate to use comparable price to determine the normal value of the goods concerned where […] because, of a particular market situation […] such sales do not permit a proper comparison between the like goods destined for consumption in the exporting country or territory and the goods concerned*".

- Regulation 7(4)(a) and (c) elaborate that a "*particular market situation*" includes situations where "*prices are artificially low*" and "*prices reflect non-commercial factors*".

Please see APPENDIX E.1 for the analysis of the "particular market situation".

The 'Comparable Price' method identified in Regulation 7(1) of the D&S Regulations[12] is not appropriate in the circumstances as the particular market situation means that sales on China's domestic market do not allow for a proper comparison with their sales on foreign markets because of a particular market situation. This is explained further below in the appendix at the end of this application.

Regulation 8 sets out three alternative options for determining the normal value of the goods where it is not appropriate to use the comparable price. In particular, Regulation 8(1)(a) provides for the TRA to determine the normal value of the goods "*by determining the costs of production plus a reasonable amount for administrative, selling and general costs and for profits*". The costs of production for the purposes of Regulation 8(1)(a) must be determined in accordance with Regulation 11, and must normally be calculated by the TRA on the basis of records kept by the overseas exporter.[13] Where these reflect non-commercial factors, however, the TRA may make adjustments in accordance with Regulation 13.[14] Similarly, although a reasonable amount for administrative, selling and general costs and for profits for the purposes of Regulation 8(1)(a) must be determined in accordance with Regulation 12, this is subject to the TRA's power to make adjustments in accordance with Regulation 13.[15]

Where the amounts calculated in this respect by relying on records and data from the exporting country would be "unrepresentative", the TRA may make adjustments by having regard to the "*corresponding costs of production, administrative, selling, general costs and profits in an appropriate representative third country or territory*".[16] The purpose of the adjustments under Regulation 13 is to "*calculate what the overseas exporter's costs and profits would be in the market of the exporting country or territory if costs, prices and profits in that market were substantially determined by market forces*".[17] For these purposes, "*domestic costs, prices and profits are 'substantially determined by market forces' where they are substantially determined by free market forces and the costs or prices in the domestic market are not artificially low as the result of factors including substantial government intervention*".[18]

In light of the above, the normal value has been constructed by reference to the corresponding costs of production, administrative, selling, general costs and profits in an appropriate representative third country – Brazil – as discussed further below.

12 The Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (SI 2019/450) (the "**D&S Regulations**"), available here.
13 D&S Regulations, Regulation 11(2).
14 *See* D&S Regulations, Regulation 11(6).
15 *See* D&S Regulations, Regulation 12(4).
16 D&S Regulations, Regulation 13(3) and (4)(a).
17 D&S Regulations, Regulation 13(2).
18 D&S Regulations, Regulation 13(6).

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

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

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

Comparable Price

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

For the reasons outlined above, the comparable price method is not appropriate in these circumstances.

Constructed Normal Value

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

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

See Annex 4 for details of the constructed normal value.

Where there is a particular market situation, make adjustments to elements of cost or profit that are not substantially determined by market forces. For further information, see our guidance on adjusting costs when constructing normal value or contact our Pre-Application Office (contact@traderemedies.gov.uk)

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

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

As the normal value has been constructed exclusively on the basis of corresponding costs of production and sale in an appropriate representative country, no further adjustments have been necessary.

Selling Price from Exporter to a Third Country

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

The preferred method is to construct normal value as described in Annex 4.

Appropriate third country

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

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

Brazil is nominated as an appropriate representative third country for the purposes of Regulation 13(5) of the D&S Regulations.

2. Explain your basis for selecting this third country.

Regulation 13(5) of the D&S Regulations provides that, "*for the purpose of paragraph (4)(a), the TRA may determine whether a third country or territory is an appropriate representative third country or territory taking into account—*

a) *whether and to what extent reliable information is made available to the TRA by overseas exporters in that country or territory at the time of selection of that country or territory;*
b) *whether the country or territory has a similar level of economic development to the exporting country or territory; and*
c) *any other factors it considers relevant.*"

The Applicant considers that Brazil is an appropriate representative third country for these purposes because it has:[19]

- A level of economic development similar to China;
- Production of the product under review;
- A free market where there is significant international trade in a variety of steel products; and
- Availability of relevant public data.

Each of these elements is considered further below.

The information provided below in this application demonstrates that Brazil is the most appropriate choice of third country in this case. In reaching this decision, the Applicant also considered a number of other countries similar to China in terms of economic development – i.e., Turkey, Kazakhstan, Mexico, Argentina, Indonesia, Malaysia, and Thailand. However, these other countries were a less appropriate benchmark as a source of normal value:

- In some cases (Turkey, Kazakhstan, South Africa, Argentina, Mexico), the financial reports of local producers in these countries reflected a large portfolio of various products as well as consolidated multinational operations. In contrast, while the Brazilian producer Companhia Siderúrgica Nacional ("CSN") is also a multinational integrated steel producer, its financial reporting contains a section focusing specifically on Brazil (which also accounts for a majority of the company's business); this allowed the Applicant to calculate the financial ratios attributable to Brazilian operations only.
- In addition, the large majority of the company's Brazilian business was in the steel sector. As far as the other possible choices for a third country are concerned, the financial reports of local tin mill producers (i.e., in Indonesia, Malaysia and Thailand) did not contain sufficient detail to allow the complainants to compute the financial

[19] See in APPENDIX E.2 the latest available WTO list of TDI measures in Brazil, showing no active measures against HRF, or tin mill products (source: https://www.wto.org/english/tratop_e/adp_e/adp_e.htm).

ratios needed for the calculation of constructed normal value. Based on this, the Applicant concluded that using Brazil as the third country was the only viable option.

A level of economic development similar to China

Brazil is regarded by the World Bank as country with a similar level of economic development as China, *i.e.*, it is classified as "upper-middle income" country on a gross national income ("**GNI**") basis with a level of development comparable to that of China.[20] That category of countries includes countries with a GNI per capita between USD 4,256 and USD 13,205 in 2022, the year with the latest trade data available. It is therefore clear that Brazil is comparable to China in terms of economic development, with China having a GNI per capita of USD 12,850 in 2021 and Brazil having a GNI per capita of USD 8,140.[21]

Production of the product under investigation in the third country

There is sufficient tin mill production in Brazil and a competitive marketplace for the broader steel industry there. Looking at the tin mill market, there is only one producer in Brazil (namely CSN). There is, however, strong competition in the market as this producer must compete with other rivals, some of whom are also based in Latin America, such as Altos Hornos De Mexico (Mexico).

The data provided in Annex 4 should be viewed against Brazil's local consumption of local tin mill production. CSN's capacity (in terms of dual lines and lines dedicated to tin mill products) has been around [*300-400*] KT/year in recent years: [*redacted – confidential information*

.][22]

For the POI, it is estimated that exports of tin mill products from Brazil were around [*40-50*] KT while imports were around [*100-125*] KT[23] (*see* APPENDIX E.3).

Relevant public data is available for Brazil

Brazil clearly also has available data on factors of production, overhead, SG&A, and profitability.

First, the Applicant was able to find publicly available data for CSN, evidencing that it produces tin mill products in Brazil following similar production methods as the Applicant and the Chinese exporters.

20 Brazil has gross national income similar to China as per the World Bank database: World Bank Open Data – Upper Middle Income, https://data.worldbank.org/income-level/upper-middle-income.

21 See https://databank.worldbank.org/data/download/GNIPC.pdf.

22 [*Redacted – confidential information*].

23 The numbers regarding the Brazilian tin mill products market are based on a number of sources – [*redacted – confidential information*], as well as TDM data for exports/imports from/into Brazil (*see* APPENDIX E.3).

Second, Brazil's data is also readily available in the Trade Data Monitor ("**TDM**"). Consequently, Brazil appears to be an appropriate choice of third country in this case.

Conclusion

In view of the above analysis, Brazil is an appropriate third country for the purposes of Regulation 13(4)(a). In particular, Brazil has a similar level of economic development to China, has substantial production of the product under review, and there is a complete set of data available for all factors of production, manufacturing overheads, SG&A and profit. In the EU ECCS case, Brazil was used as representative country – showing that all necessary data is available to construct normal value.

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

As the normal value has been constructed as set out in Annex 4, the Applicant has not used Annex 3.

The calculation of the normal value using Brazil as third country is based on the calculation methodology described below.

First, the Applicant provided a breakdown of their costs. This cost breakdown included all input materials, energy sources and fuel, utilities, and manufacturing overheads needed to produce the subject product. The Applicant reported the actual factors needed for the production of one metric tonne of finished goods, as well as the price per unit (kg of steel, kWh of electricity, hours of labour, etc.). They also provided the Selling, General and Administrative (SG&A) expenses, financial and other expenses associated with the production and sale of tin mill products. The profit margins of the companies were also included.

Next, the unit values in the cost sheet were replaced with unit values representing the actual undistorted costs in a suitable analogue country. As described above, the Applicant used the most suitable third country it could find – namely, Brazil, as outlined above.

- Raw material costs: there are two main raw materials used for the production of tin mill products – HRF steel and tin. Lacquer (coating) is also used at the finishing stages of production. The Applicant used the TDM[1] to establish the import values of these input into Brazil, using the list of 6-digit CN codes. The Applicant also calculated an allowance for scrap credit and by-products.

- The unit costs of electricity, natural gas and labour were taken from various public sources as described in the cost build-up template in ANNEX 4.

- The publicly available Annual Report of CSN, the only Brazilian tin mill producer, was used to establish the cost of goods sold, overhead, SG&A, selling expenses, financial expenses, depreciation, other operating expenses, and profit. (*see* APPENDIX E.5) identified in the company's most recent annual report.

All data sources are mentioned in the calculation sheet provided in ANNEX 4, showing the precise location and table from which, the figures were taken.

Export price of the goods

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

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

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

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

The Chinese export prices to the UK, as used in APPENDIX E.6, are based on import statistics (as obtained from TDM[24]). The Applicant relied on import prices into the UK. As noted above, the small price differentiations of tin mill products are based on characteristics other than the steel grade, namely on the product's thickness and dimension (*see* APPENDIX A.1).

The applicable transportation costs are provided in APPENDIX E.7. The information from which the price series were extracted can be found in APPENDIX E.7 as well. As reliable information on transport costs directly from China to the UK was unavailable publicly, the Applicant has used the transportation costs to the nearby port of Rotterdam, Netherlands to approximate the costs of landing Chinese imports in the UK. The Applicant used Drewry

[24] See www.TradeDataMonitor.com

container indices, adding up to [*£50-100 per tonne*] in the POI from China (*see* APPENDIX E.7).

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

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

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

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

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

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

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

- sales invoices;
- written offers;
- price quotations;
- sales correspondence; or

- official statistics.

Not applicable

Constructed Export Price

Calculate the constructed export price(s).

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

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

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

Not applicable

Fair Comparison

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

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

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

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

Not needed as the CNV was constructed Ex-Works.

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

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

Not applicable.

Dumping Margin

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

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

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

ANNEX 7 provides dumping calculations comparing export prices, as provided by TDM, to constructed normal value at EXW level, as described above. The average of the dumping margin for China for the POI is [*50-70%*].

As noted above, it is therefore clear that tin mill product imports from China are being sold in the UK with material levels of dumping. As discussed in the next section, these imports' low prices substantially undercut the prices of the Applicant. The evidence clearly demonstrates that the dumped imports caused material injury.

Section G: Injury

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

Injury as defined by the Act can refer to:

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

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

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

If your industry is nascent and is being or has been materially retarded, please contact us at contact@traderemedies.gov.uk.

Material Injury

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

- Actual and potential decline in: sales, profit, output, market share, productivity, return on investments, or use of capacity;
- Factors affecting domestic prices of the goods;
- The magnitude of the margin of dumping and/or the amount of subsidy; and
- Actual and potential negative effects on: cash flow, inventories, employment, wages, growth, ability to raise capital, or investments.

1. Please describe, with appropriate figures, how the UK industry for these goods has performed in terms of each of the above injury indicators for the POI, and injury period.

- Explain how you have calculated the figures and substantiate your figures with evidence.

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

Regulation 30(1) of the D&S Regulations provides that the TRA must determine if the UK industry is suffering injury or if it did during the POI. Regulation 30(2) provides that the TRA must consider:

> *(a)the volume of the dumped goods or subsidised imports during the injury period;*
>
> *(b)the effect of the dumped goods or subsidised imports on prices of the like goods in the United Kingdom during the injury period;*
>
> *(c)the consequent impact of the dumped goods or subsidised imports on a UK industry during the injury period; and*
>
> *(d)any other factors.*

Actual and potential decline in profit

In light of the underlying legal test, it is clear that the UK tin mill industry is already suffering material injury as a result of dumped imports of tin mill products from China. The Applicant has lost production, sales, and market share. The Applicant's profitability was healthy in 2022 but dropped in the POI to [*redacted – confidential information*]. The increase in profitability in 2022 was due to the supply-demand market imbalance caused by COVID and the temporary drop in imports from China during 2021.

This healthy market situation is however now over, and things have quickly turned for the worse. Profits quickly disappeared under pressure from low-priced imports from China, which were diverted to the UK market notably due to the U.S. opening anti-dumping and countervailing investigations (*see* APPENDIX G.1). The UK industry lost a lot of volume as customers switched due to low priced Chinese imports over the course of 2022. Many contracts have prices set on an annual basis, so the first impact of low priced imports (sold on a spot or shorter contract duration basis) is on volumes. That was seen in 2022 when UK purchasers switched to Chinese imports. Subsequently, low priced imports affect the annual price negotiations for the next year – which is seen in the profit decline in 2023. That is why injury was first seen in volumes in 2022 and then in profits in 2023.

As demonstrated below, low-priced imports from China undercut and undersold the UK producer by large amounts (especially towards the end of the POI) and injured the Applicant despite its best efforts to stay competitive.

Factors affecting domestic prices of the goods

Moreover, prices rose but they merely followed the rising unit costs (due to the cost-price squeeze driven by pressure from imports), which was the reason for the low profitability. Given that most customers negotiate prices on an annual basis, the injury is most apparent in lost volumes: when Chinese prices are cheaper, the customer simply buy more Chinese

imports – hence the massive loss in market share. The Applicant is struggling to avoid further negative consequences – especially as things tend to get even worse in more recent periods. The industry's injury is caused by the unfairly low-priced imports from China that continue to grow quickly taking up more market share at prices that are unsustainable in a fair market situation (*see* ANNEX 2).

The injury factors are addressed in detail in the sections below. The Applicant has provided annual data covering the period 2020 through the POI, as well as quarterly breakdowns covering the period Q4/21-Q4/23 in order to demonstrate the deterioration in recent quarters. The data clearly shows that things have gotten (and continue to get) much worse in recent years and quarters, which emphasizes the need for urgent measures.

Actual and potential decline in market share

During this time of decreasing UK demand, imports from China have taken significant market share due to their undercutting in the POI, as discussed and demonstrated below. As UK consumption fell in 2022 and the POI, imports from China became an ever-increasing part of the market. They significantly increased their share of the UK market, which increased steadily over the years and even during the POI as UK demand dropped heavily in the second half of the POI.

Apparent consumption (000 tonnes)[25]	**2020**	**2021**	**2022**	**POI 2023**
Apparent consumption	[*Redacted – confidential information*]			
Index	**100**	**101**	**84**	**73**

Source: TDM and Applicant's figures, see APPENDIX B.1

Imports (000 tonnes)	**2020**	**2021**	**2022**	**POI 2023**
Imports from China	[*Redacted – confidential information*]			
Index	**100**	**119**	**104**	**101**

Source: TDM

The increasingly diverging rates of growth over time between apparent UK consumption and imports from China have resulted in subject imports gaining new market share. During the period under analysis, the market share of imports from China in the UK has increased steadily, from [*5-7%*] in 2020 (which was already significant) to over [*7-10%*] in the POI. In

[25] Apparent consumption is calculated by adding together the sales from the UK domestic industry and total imports into the UK for the covered product in the period.

the period between 2020 and the POI, Chinese import volumes increased consistently (in 2021 and 2022), then dropped marginally in the POI due to the slump in UK demand, but still remained at 2020 levels.

[*redacted – confidential information*]

Imports	2020	2021	2022	POI 2023
China's Market share of UK consumption	[*redacted – confidential information*]			
Index	**100**	**117**	**123**	**138**

Source: TDM

This increase of subject imports was achieved by low, dumped prices, which were both undercutting and underselling the UK producer's prices. Thus, in accordance with Regulation 32 of the D&S Regulations, imports from China increased significantly and resulted in Chinese imports gaining significant market share.

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

Dumped Import Prices Undercut and Undersell the UK Industry Prices by Large Amounts

Dumping has allowed Chinese imports to be sold at lower prices than UK production. In most time periods, prices of subject imports were below UK producers' prices (and in some periods even below costs – notably in the POI), and undercut and undersold UK producers' prices. During the POI, prices of Chinese imports fell further, thereby continuing to significantly undercut the Applicant. By way of an example, **undercutting was [*30-40%*] in Q2 2023 and [*40-50%*] in Q4 2023.**

The detailed evidence and analysis of price undercutting and underselling by the Chinese producers is provided in APPENDIX B.1. The analysis is based on a comparison between TDM data and the average price of the Applicant. The level of price undercutting is more

than sufficient to cause customers to switch to low-priced Chinese imports. The margins of price undercutting are substantial (up to [*40-50%*] in Q4 2023).

The analysis also makes it clear that significant underselling is taking place as well, with the **underselling margin at [*45-55%*]** for China during the POI based on a reasonable profit of 7%.[26] While the Applicant used 7% profit margin for the purposes of demonstrating underselling, the Applicant notes that a higher level of profitability is needed to reflect labour and environmental costs borne by the Applicant . Underselling by imports from China became even bigger towards the end of the POI as **underselling in Q1 2023 was [*50-60%*], and by Q4 2023 it exceeded [*80-90%*].** The analysis of underselling and undercutting is based on a comparison between average TDM prices and average UK industry prices for sales to unrelated customers (*see* APPENDIX B.1).

That there is indeed a significant level of undercutting is also confirmed by [*redacted – confidential information*] (*see* APPENDIX G.2).

The undercutting and underselling by Chinese tin mill products producers resulted in Chinese tin mill taking a significant market share.

The already massive levels of undercutting and underselling will impact prices during 2024, as the annual price negotiations have resulted in much lower prices due to the undercutting. While this will reduce the level of undercutting, the underselling will remain the same – because profits are likely to slump further.

The Current Financial Situation of the Applicant

The UK tin mill industry has been struggling in the face of surging imports from China. At a time of steady (and even falling) UK demand, low-priced imports from China surged on the UK market and increased their market share. At the same time, the Applicant lost sales and their market share fell by [*6-9%*] in 2022 before partially regaining ground in the POI. The UK tin mill industry's profitability remained low; the industry generated losses in 2021, then, profitability improved in 2022 (mainly driven by supply/demand imbalance), but once again dropped sharply into losses during the POI.

Production, Capacity, and Utilisation of Capacity of the Applicant

In the context of falling UK demand (consumption) and pressure by imports the total production of the Applicant decreased, falling by 22 percentage points during the analysed period. The overall capacity remained stable, while the capacity utilisation decreased to a very low level in the POI. Moreover, TSUK's capacity utilisation would have likely declined more substantially in 2021, but increased demand for canned goods amid the Covid-19 pandemic partly balanced the impact of dumped Chinese imports.

[26] This profitability level was found to be appropriate in hot rolled flat steel from China – see COMMISSION IMPLEMENTING REGULATION (EU) 2016/1778 of 6 October 2016 imposing a provisional anti-dumping duty on imports of certain hot-rolled flat products of iron, non-alloy or other alloy steel originating in the People's Republic of China, 2016 OJ L 272/33. It should be noted that a reasonable profit of 7% is a conservative number. The applicant does not rule out the possibility that in the course of the investigation facts may emerge that indicate that a higher reasonable profit margin may be appropriate.

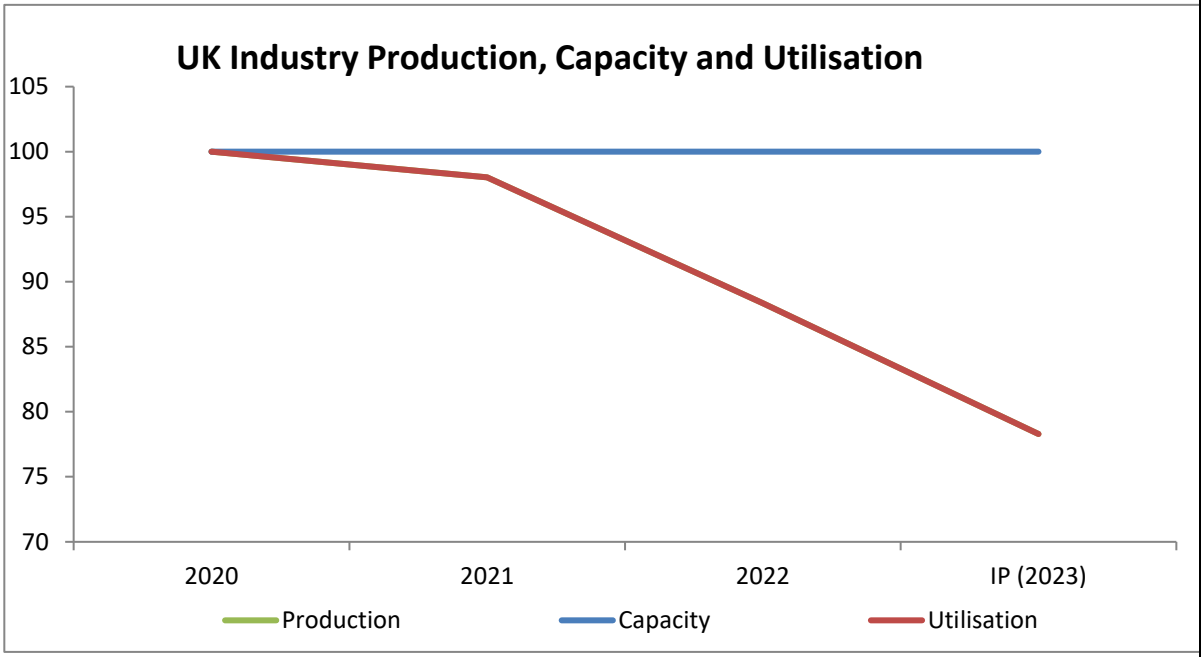
Applicant's Production Capacity, and Capacity Utilisation	2020	2021	2022	POI 2023
Applicant's Total Production (T)	[*redacted – confidential information*]			
Indexed	**100**	**98**	**88**	**78**
Applicant's Overall Capacity of tin mill products lines (T)[27]	[*redacted – confidential information*]			
Indexed	**100**	**100**	**100**	**100**
Applicant's Capacity Utilisation	[*redacted – confidential information*]			
Indexed	**100**	**98**	**88**	**78**

Applicant's Production Capacity, and Capacity utilisation	I/22	II/22	III/22	IV/22	I/23	II/23	III/23	IV/23
Applicant's Total Production (T)	[*redacted – confidential information*]							
Indexed	**100**	**124**	**119**	**76**	**84**	**112**	**93**	**83**
Applicant's Overall Capacity of tin mill products lines (T)[28]	[*redacted – confidential information*]							
Indexed	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**
Applicant's Capacity Utilisation	[*redacted – confidential information*]							

Indexed	**100**	**124**	**119**	**76**	**84**	**112**	**93**	**83**

Source: Applicant's figures

Overall, the long-term trend shows a drop in production and capacity utilization (capacity is constant, so production and utilization lines overlap), which clearly suggests volume-based injury. This low and decreasing level of utilisation is clearly unsustainable its impact is felt throughout the other commercial factors discussed in this section.



Sales in the UK and exports

The Applicant's market share in the UK decreased (by [*8-12*] percentage points in 2022 and [*7-11*] percentage points in the POI) after the 2021 peak, which was caused by pressure from Chinese imports, whose share significantly increased during the period. Sales fell in quantity; they increased in value terms but only due to higher prices driven by rising raw material and input costs. Volume of sales decreased by [*20-25*] percentage points in the period 2020-POI. As noted, turnover value increased but this was solely due to rising raw material and input costs and did not reflect the actual situation as the Applicant was losing sales to imports.

27 There are some separated tinning lines, but there are also cases of shared capacity between Tinplate and ECCS. Even though some parts of the production process are shared between Tinplate and ECCS, other parts differ – such as stage 9 – tin vs chromium coating. The capacity of the lines is calculated based on this stage (i.e., tin plating and chromium plating baths).

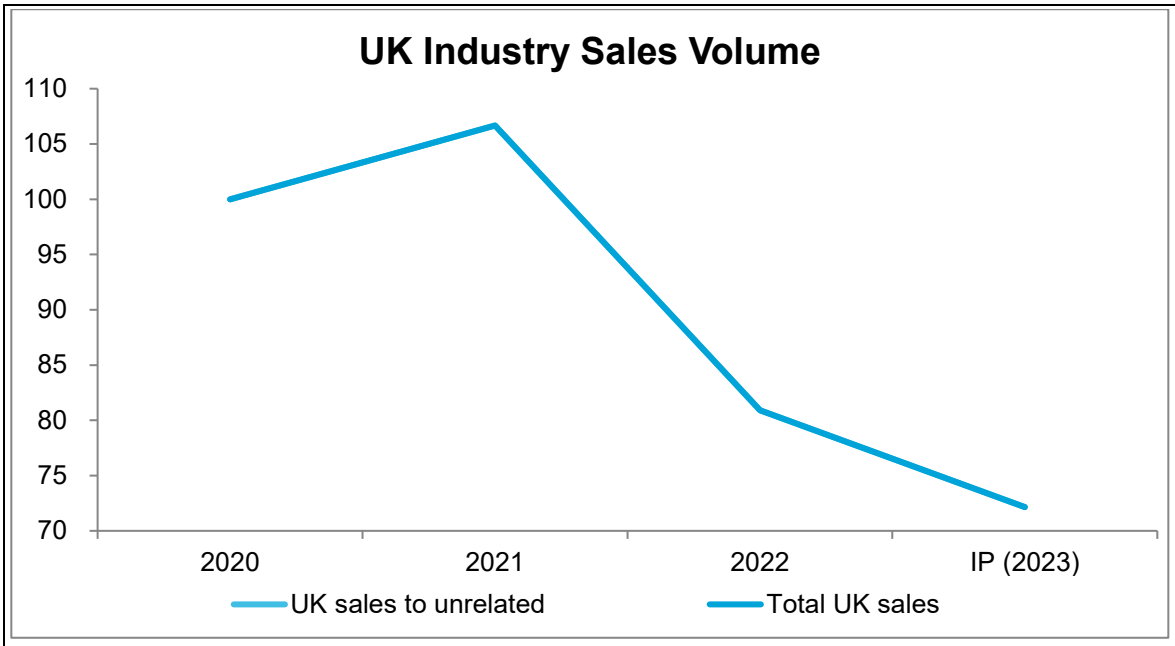
28 Ibid.

Applicant's sales	2020	2021	2022	POI 2023
UK sales of the Applicant, MT	[*redacted – confidential information*]			
Index	**100**	**107**	**81**	**72**
Market share	[*redacted – confidential information*]			
Index	**100**	**107**	**97**	**99**

Applicant's sales	I/22	II/22	III/22	IV/22	I/23	II/23	III/23	IV/23
UK sales of the Applicant , MT	[*redacted – confidential information*]							
Index	**100**	**105**	**94**	**83**	**95**	**91**	**80**	**75**
Market share	[*redacted – confidential information*]							
Index	**100**	**96**	**103**	**110**	**108**	**101**	**97**	**110**

Source: TDM, Applicant's figures

This is also demonstrated by the following graph.



The Applicant's exports stayed mostly level with a slight decline in the period 2020-POI while domestic sales fell. Among the main reasons for this decline in export sales was unfair competition by Chinese exporters on third-country markets where Chinese exports also undercut UK producers by large amounts (*see* APPENDIX B.1). This is clear thanks to the anti-dumping investigations into tin mill products in the EU and USA referenced earlier in this application.

Thus, while imports from China continued to come into the UK, the British producer of tin mill products lost production, and sales.

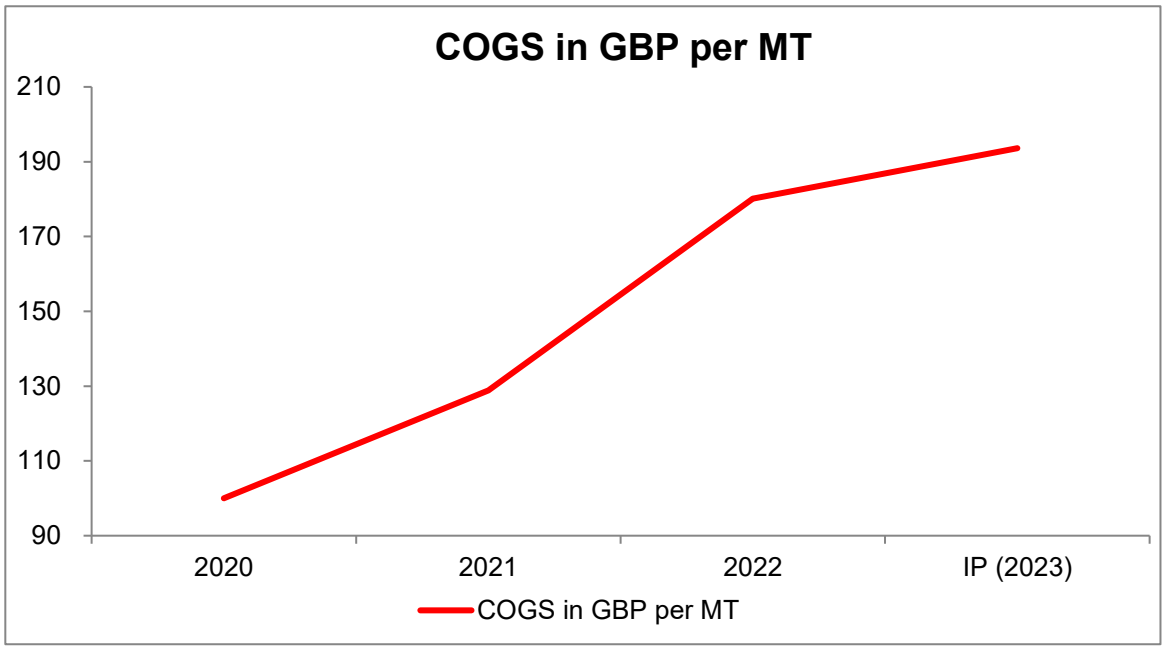
Profitability of the Applicant

The price pressure by imports from China did not allow the Applicant to raise prices to fully reflect rising raw material and input costs (*see* APPENDIX B.1), which is reflected in profitability levels. In 2021, the industry faced significant losses, primarily attributable to the impact of Chinese imports and the inability of the UK producer to pass on increasing production costs to their customers. There was a temporary recovery in 2022, when Applicant's profits rose to healthy levels, as the market witnessed an unusual supply-demand imbalance caused by the increased demand for canned goods amid the Covid-19 pandemic. Indeed, this imbalance first occurred in 2021 and influenced the prices agreed for the following year contributing to higher profitability. It cannot be ruled out that Chinese exporters were also to some extent restricted in their ability to export products overseas, including to the UK, by the Covid-19 pandemic. This momentary resurgence, however, was not indicative of sustained industry health, as it relied on unique circumstances. As soon as these favourable conditions were gone, the British industry found itself under renewed pressure from Chinese imports, which eroded market share and profits, down to [*redacted – confidential information*] for all subject sales and [*redacted –confidential information*] during the POI.

The industry's losses in 2021 were also notably due to unfair competition by imports from China (in smaller but significant volumes that were already putting pressure on prices in the market) in combination with rapidly rising costs, which the UK producer was not in a position to pass on to customers. During this time, production costs increased by nearly [*20-30%*] from 2020 to 2021, mainly driven by much higher raw material prices. As a rule, contracts between UK producers and users would not be subject to renegotiation during the course of the year; such renegotiation would only take place on very rare occasions, and only in exceptional cases involving dramatic cost/price volatility on the market. For comparison, Chinese producers would, as a rule, not offer annual contracts, but would instead negotiate on spot or a quarterly basis for sales to the UK and other export markets.

Importantly, this took place at a time when imports had decreased, due to the strict COVID lockdown policy in China and delivery problems in Chinese harbours - especially for container shipments. Still, low-priced import volumes remained significant (see table in Injury question 1) and added pressure in a scenario where the UK producer could not increase their prices, undercutting and taking sales away from the Applicant.

The chart below shows the consistent growth in the costs of goods sold from 2020-POI.



Source: Applicant's figures

In 2022, profitability improved solely due to the market imbalance that occurred following COVID where demand largely surpassed supply. The COVID crisis resulted in significant global supply chain constraints, with decreased ocean schedule reliability and longer delivery times, which made it difficult to timely import cheap steel from China. Local demand also increased, with more people buying canned food and repainting their houses. Buyers feared insufficient supply at the end of 2021, when price negotiations for the year of 2022 took place, and were willing to pay higher prices and buy large volumes of British production to secure a steady supply. In this context, unlike the situation in 2020-2021, the UK producer found themselves in a favourable position to negotiate higher prices for the year 2022 to reflect the

production costs increases incurred in 2021. This situation resulted in an overall increase of the UK industry's profitability in 2022, but quickly changed as soon as market conditions deteriorated, and as low-priced imports surged and took increasingly large market shares. The price trends and profitability at the time were not directly aligned with the rise of Chinese imports due to the use of annual contracts in the UK industry as opposed to spot prices for Chinese imports.

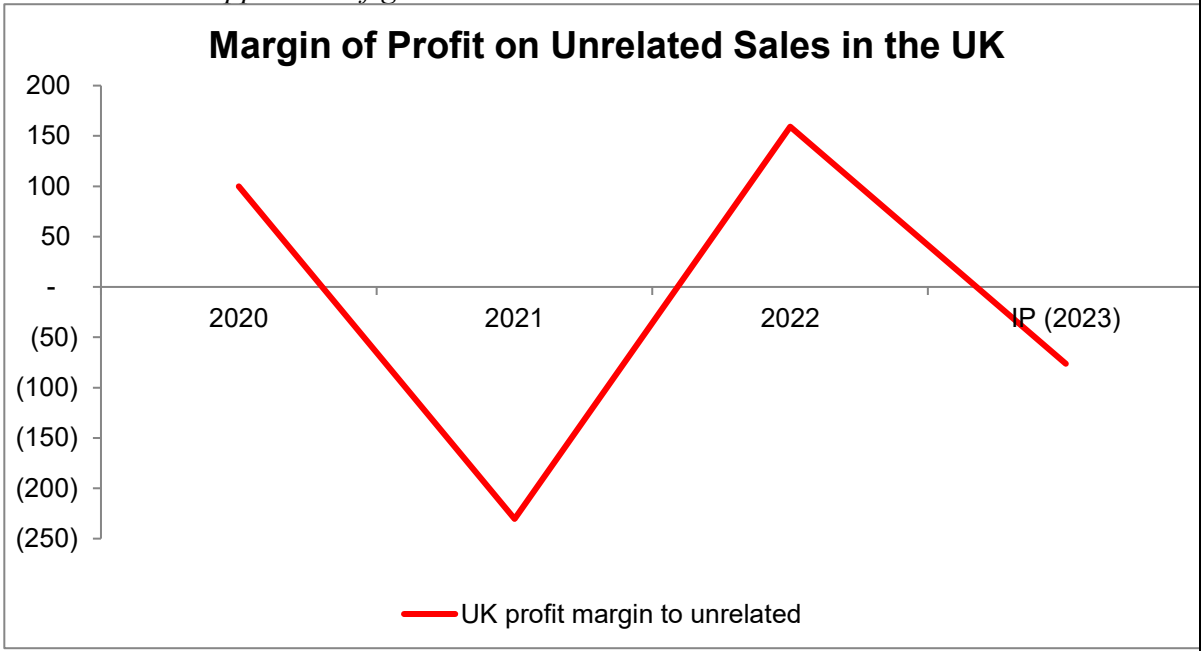
Indeed, such improvement in profitability is not indicative of a healthier situation of the industry nor of absence of pressure from Chinese imports. On the contrary – once the favourable market conditions had passed, as described in the paragraph below, the Applicant felt the real pressure by imports from China, which undercut and took sales and market share. Without these favourable market conditions when negotiating the contracts for 2022, the devastating impact of Chinese imports on the Applicant's profitability would have been obvious even in 2022.

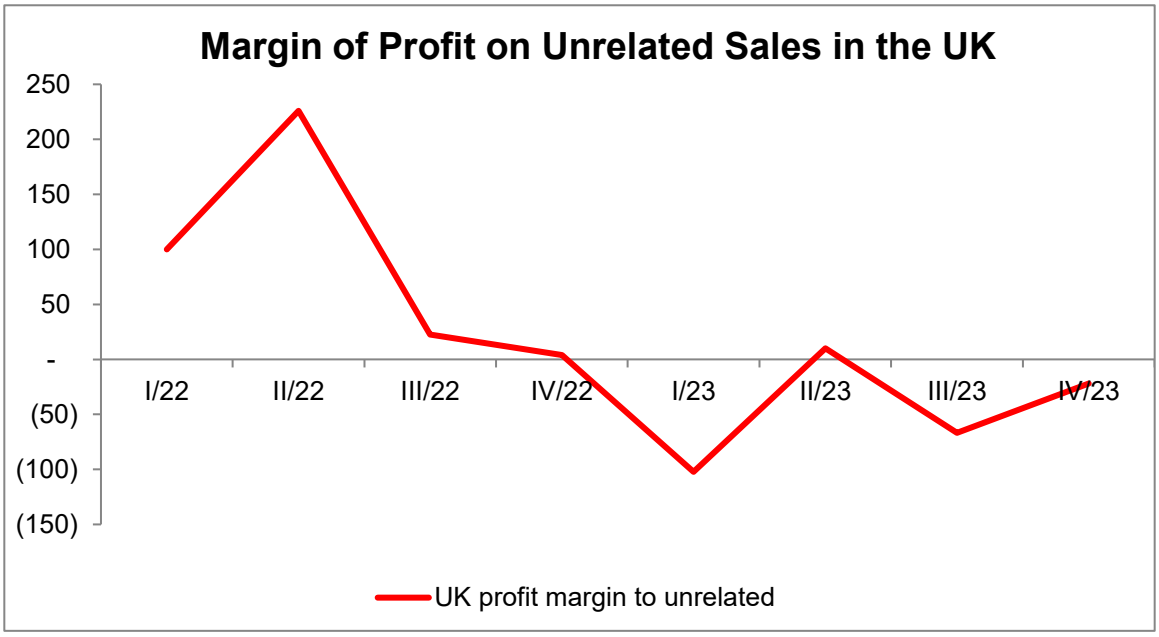
The favourable market situation ended abruptly as British apparent demand slowed down in the summer of 2022 following bad vegetable harvest across Europe which would have demanded significant tin mill products for their processing. To aggravate things further, at the same time, imports from China have increased significantly since 2022, due notably to the reduced cost of transportation from China, and the initiation of anti-dumping and countervailing duty investigations by the U.S. Department of Commerce on the same products. These factors added pressure on market prices in the UK. With the pressure from Chinese imports, the Applicant was unable to negotiate prices for 2023's annual contracts at a sufficient level to curb loss of profitability. With elevated rates of undercutting and underselling, the Applicant started to lose sales and the redirected low-priced imports from China took a significant market share, especially towards the end of the POI. As discussed above, the reasons for these fluctuations can be seen through the frame of the annual contracts that the UK industry generally relies upon. Set on an annual basis these contracts dull the initial impact of low priced imports as it would first be seen on sales volumes not profitability. This phenomenon was shown in 2022 as customers moved to Chinese imports. The profit decline seen in the POI was felt as the injury caused by the imports in 2022 compounded with the pressures on contract negotiations in 2023.

Profit on UK unrelated sales as % of UK unrelated turnover	**2020**	**2021**	**2022**	**POI 2023**
Applicant	[*redacted – confidential information*]			
Index	**100**	**(230)**	**159**	**(76)**

Profit on UK unrelated sales as % of UK unrelated turnover	I/22	II/22	III/22	IV/22	I/23	II/23	III/23	IV/23
Applicant	[*redacted – confidential information*]							
Index	**100**	**226**	**23**	**4**	**(102)**	**10**	**(67)**	**(22)**

Source: Applicant's figures





For completeness, the slight increase of profits in Q2/2023 reflects natural seasonality of sales volumes and fluctuations of production costs. The latter are mostly not reflected in prices since these are negotiated annually, so there are generally no short-term adjustments to match short-term changes in costs. As regards seasonality, there is less use of tin cans in the winter, and energy costs were also higher in Q1/2023 due to fears of shortage of supply in the winter, then decreased in the subsequent quarters (see graph showing the evolution of energy prices in UK below).

Absent low-priced Chinese imports, the UK industry would be doing significantly better, and things are bound to get worse if no measures are taken as a result of this application. With the pressure of low-priced Chinese imports, UK prices will significantly erode in 2024, with a similar effect on profitability. The British tin mill industry has been forced to reduce annual contract prices by around [*GBP 150-250*] for 2024 due to the massive price pressure from Chinese imports. As the cost of production is not expected to drop by similar levels this year, profit margins will fall to unsustainably low levels.

This situation is compounded by the fact that users are heavily reducing their volume allocation to British tin mill producers, since the price gap between British and Chinese tin mill products will remain massive even with the lower contract prices for 2024.

Cost of production (COP)

Unit costs overall increased consistently throughout the period considered, and especially dramatically in 2022. While the increase in costs led to an increase in prices in the POI, the pressure from imports, coupled with annually fixed prices, typically negotiated in the last quarter of each year for the subsequent 12-month period, did not allow UK producers to raise their prices high enough to guarantee more than marginal profits. As a result, profits remained low and further deteriorated.

Cost of production (GBP/tonne)	**2020**	**2021**	**2022**	**POI 2023**
UK	[*redacted – confidential information*]			
Index	**100**	**129**	**180**	**194**

Cost of production (GBP/tonne)	**I/22**	**II/22**	**III/22**	**IV/22**	**I/23**	**II/23**	**III/23**	**IV/23**
UK	[*redacted – confidential information*]							

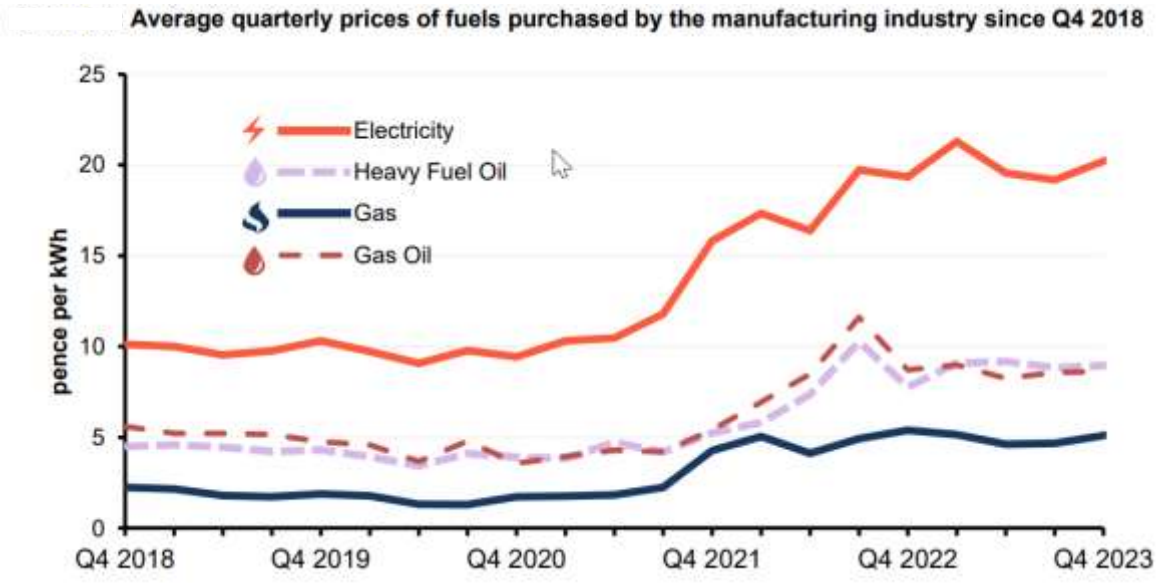
Index	**100**	**87**	**105**	**114**	**113**	**104**	**110**	**108**

Source: Applicant's figures

As explained above, from 2020 to 2021, costs already increased significantly mainly due to the rise in raw material costs (i.e., iron ore and coking coal). As from September 2021, the upward trend continued with the rise in energy prices (i.e., electricity and natural gas), which further escalated after February 2022 due to the war in Ukraine and its impact on energy supplies. Notably, from 2021 to 2022, costs were over 40% higher mostly because of high electricity and natural gas prices. When prices were negotiated in late 2022, costs were expected to increase 5-10% in comparison with 2022 production costs.

[*Redacted – copyrighted material]*

]



Source: Department for Energy Security and Net Zero, Quarterly Energy Prices: March 2024, Chart 3.2, attached as APPENDIX G.3

The pressure by imports from China did not allow the Applicant to raise their prices in line with rising raw material and overall production costs at the time prices were negotiated. Once the unique market conditions in 2022 – temporary supply-demand imbalance which drove profits up – were gone, the UK producer suffered due to the pressure by imports from China, as they lost sales and market share, and their profitability dropped significantly in the POI. Importantly, short-term fluctuations in production costs, which may happen from quarter to quarter, could not be reflected in the prices during the POI as prices are contractually fixed for the year. As the Applicant already explained, reopening annual contracts does not normally occur. By comparison, Chinese exporters would normally negotiate on a spot or quarterly basis. So, the impact of undercutting is more felt in volumes than in the profits, as the pressure by low-priced Chinese imports led to EU customers switching to the Chinese.

Investments

Investment declined slowly across most of the period considered with a substantial drop in the POI. The additional investment in the POI was largely due to the need to comply with environmental standards (in addition to standard investment concerning the renewal of production facilities) and did not reflect the true situation of the industry given the low and falling levels of production, sales and market share as well as profitability.

As can be seen by looking at Applicant's overall capacity data (see above), the increase in investments that occurred during the period did not go towards expanding capacity but instead contributed to retaining existing capacities, improving quality, and making necessary repairs and replacements. Other investments went towards improving safety and environmental standards in line with stricter environmental rules in the UK.[29] Thus, it is fair to say that investments were generally limited to expenses needed to keep operations ongoing.[30]

Investments (GBP'000)	2020	2021	2022	POI 2023
Investments	[*redacted – confidential information*]			
Index	**100**	**95**	**93**	**51**

Investments (GBP'000)	IV/21	I/22	II/22	III/22	IV/22	I/23	II/23	III/23
Investments	[*redacted – confidential information*]							
Index	**100**	**98**	**98**	**98**	**98**	**39**	**39**	**39**

Source: Applicant's figures

Stock variation

The pressure exerted by imports from China put pressure on the Applicant. As sales dropped, their stocks initially dropped in 2021 and 2022 but then increased in 2022; another sign of injury.

29 By way of an example, TSUK invested in capital schemes to maintain its license to operate, schemes that impacts health and safety of their employees and other essential replacements [*redacted – confidential information*]. Moreover, TSUK spent [*redacted – confidential information*]across three sites that are involved in the production of like goods (Port Talbot and Llanwern produce the substrate which is further processed at Trostre).

30 The additional investments were needed, among other things, to ensure compliance with Multilateral Environmental Agreements, and protocols thereunder, to which the UK is a party, ILO Conventions, as well as compliance with the UK Emissions Trading System (UK ETS).

Stocks (Metric Tonnes)	2020	2021	2022	POI 2023
Stocks	[*redacted – confidential information*]			
Index	**100**	**59**	**102**	**95**

Stocks (Metric Tonnes)	I/22	II/22	III/22	IV/22	I/23	II/23	III/23	IV/23
Stocks	[*redacted – confidential information*]							
Index	**100**	**155**	**177**	**119**	**109**	**128**	**119**	**111**

Source: Applicant's figures

Employment

Reduction of sales and production due to dumped Chinese imports did impact employees' numbers. As a result, employment in the tin mill sector fell by 9% in the period 2020-POI, which reflected the true situation of the industry.

Employment	2020	2021	2022	POI 2023
Workforce	[*redacted – confidential information*]			
Index	**100**	**89**	**87**	**91**

Source: Applicant's figures

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

Please see APPENDIX B.1.

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

The UK steel industry is modernising, and significant investments are being made to decarbonise the industry including the Applicant's upcoming investment in electric arc furnaces for tin mill product input, flat steel products in Port Talbot. [31] To be able to continue to continue those important investments the industry would require a profit on [*8-12%*] from its tin mill products.

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

The current sales prices are below the target sales prices for tin mill products. The Applicant's target price for tin mill products is [*GBP 1250-1,650*]. As detailed in below, the pressure from Chinese imports have pushed prices to levels that are [*redacted – confidential information*].

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

UK sales prices to unrelated customers increased in the period 2020-2022 but fell as the POI began. As demonstrated by the quarterly data also provided below, the price fall started in Q1 2023 and continued through the third quarter.

UK Sales prices to unrelated customers	**2020**	**2021**	**2022**	**POI 2023**
UK	[*redacted – confidential information*]			
Index	**100**	**107**	**187**	**175**

[31] See Tata Steel's UK plan to decarbonise, available here: https://www.tatasteeleurope.com/sustainability/green-steel-future-uk

UK Sales prices to unrelated customers	I/22	II/22	III/22	IV/22	I/23	II/23	III/23	IV/23
UK	[*redacted – confidential information*]							
Index	100	101	97	103	92	95	93	95

It was pressure by dumped imports from China that drove prices down somewhat (albeit that the majority of sales are based on annually negotiated prices, which did not change during 2023 – with the injury being seen more in lost volumes than reduced prices). As noted below, the situation at the start of 2024 is much worse, with negotiated contract prices for 2024 being significantly below 2023 levels.

Threat of injury

1. Describe the change in circumstances that means the threat of material injury from dumping and/or subsidisation is foreseeable and imminent. The factors behind these changes could include:

- the rate of increase of dumped and/or subsidised imports;
- changes to the available production capacity of the exporters;
- changes to inventories of the imported goods (i.e. if large stocks of these goods are building up in their country of origin ready for export);
- expected price depression or price suppression of further imports; and
- any other relevant factors.

The evidence presented in this complaint clearly shows that the UK tin mill industry, in addition to currently suffering material injury, is also threatened with further imminent injury after the end of the POI set out in this complaint unless urgent measures are taken against Chinese tin mill imports. The reason for the industry's current situation was already explained above and is obvious; the industry is suffering material injury as a result of dumped Chinese imports, which undercut the UK producer's prices and are the reason for the industry's deteriorating financial performance.

This being said, all evidence suggests that things are bound to get much worse and quickly given the current state of the market, where the UK producer is left with no choice but to either maintain normal prices and lose sales or lower their prices to match prices of the Chinese and go into losses. This is due to the fact that during the course of the POI producers were bound by annual contracts signed at higher prices and lost significant volumes to the much cheaper Chinese imports, which had prices set on spot, or quarterly basis.

However, at the end of 2023 (which was the time 2024 annual contracts were signed), the UK producer was left with no choice but to agree to much lower annual contract prices for 2024 sales in an attempt to recover volumes. This however had a negative impact on their profitability in the post-POI periods. There is therefore a clear threat of further imminent injury here in addition to injury currently being suffered. The Applicant has demonstrated below that all legal criteria supporting a threat of injury case as spelled out in the D&S Regulations are also met in this case.

Regulation 28 of the D&S Regulations sets out the meaning of "threat of material injury". Regulation 28(2) of the D&S Regulations provides:

> *"(2) In determining whether there is a threat of material injury, the TRA may consider, among other things—*
>
> > *(a)the extent to which any significant rate of increase in the volume of the importation of the dumped goods or subsidised imports into the United Kingdom indicates a likelihood of substantially increased importation;*
> >
> > *(b)whether the overseas exporter has sufficient freely disposable, or an imminent substantial increase in, capacity indicating that there is a likelihood of substantially increased importation of the dumped goods or subsidised imports into the United Kingdom taking into account the availability of other export markets to absorb the additional exports of those goods;*
> >
> > *(c)whether the dumped goods or subsidised imports are entering the United Kingdom at prices which will have a significant depressing or suppressing effect on prices of the like goods in the United Kingdom and whether such prices are likely to increase the demand for further imports of the goods concerned;*
> >
> > *(d)the inventories of the overseas exporters of the goods concerned; and*
> >
> > *(e)in the case of subsidies only, the nature of the subsidy and the trade effects that the TRA determines are likely to arise from that subsidy."*

As demonstrated by the evidence provided in this application, there is abundant and clear evidence that in addition to current injury the UK industry is also threatened with further injury, which is also imminent.

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

First, there is a *significant increase in market share going to dumped imports* from China as the application demonstrates above in this application (*see* discussion of material injury above). Imports from China also increased in absolute terms; the drop in the POI is only due to contraction in UK demand. Imports from China increased their market share, but also on a quarterly basis, as Chinese imports in 2023 also rose significantly on a quarter-by-quarter basis in the first half of the POI before demand dropped significantly.

That rising imports from China were sold at dumped prices was also clearly confirmed by the Applicant's calculations of dumping (*see* Dumping Margin question 1 above), where the Applicant calculated margins of dumping in the excess of 50%. The first threat of injury criterion as spelled out in the D&S Regulations is therefore clearly met in this case.

Second, as the Applicant again demonstrated above in this application (*see* for example the discussion in Normal Value Method section), there is *sufficient freely disposable capacity in China,* which has quickly increased, and which is bound to continue to increase. As it was explained above in this application, depending on the specific source, China's current tin mill capacity reaches as much as 8-9 million tonnes, and accounts for several times the UK market.[32]

It is also clear that Chinese capacity also far exceeds local production and demand, which in turn confirms that there is sufficient available spare capacity ready to target the UK market, unless AD measures are urgently imposed. A recent report from a steel industry group in China indicated that in 2020 the Chinese tin mill industry had a capacity of 9.1 million metric tonnes while the domestic market in China only consumed 3.76 million metric tonnes. The report also estimated an industry operating rate of between 55% and 60%.[33] There is no doubt that the UK will attract a large amount of the resulting 3 million tonnes of Chinese disposable capacity, the UK being a significant destination for Chinese tin mill exports. The second criterion of the regulation is therefore also clearly met.

Third, there is also abundant evidence that Chinese tin mill products are being sold in the UK at *prices that to a significant degree, depress prices or prevent price increases* on the UK market. Indeed, in the Applicant's view, this is perhaps the most urgent grounds, which confirm that a threat of further imminent injury exists in this case and call for urgent actions.

That prices of imports from China depress and prevent price increases in the UK is demonstrated by the significant levels of undercutting by imports from China (*see* Causal Link question 2). The UK producer explained and documented Chinese exporters undercutting their prices by large amounts, and also levels of undercutting rising in most recent quarters. The evidence also shows that prices of imports from China had a negative impact on the Applicant's sales; this was namely due to the fact that Chinese exporters (which normally negotiate on spot or a quarterly basis), were able to offer much lower prices compared to the UK producer, which were bound by annual contacts (*see* e.g., Injury question 2).

[*Redacted – confidential information*]
The volume of Chinese imports into the UK seems to have stabilised. However, Chinese producers seem to compete on price more aggressively to secure sales volume. As a result of this price pressure, TSUK had to lower its prices for 2024 more significantly than budgeted.

[32] See table comparing total Chinese tinplate capacity with total Chinese domestic tinplate demand, in SMM, "[tin Summit] Global tinplate total production capacity and demand Challenge and Development of tinplate in the Field of Packaging", 30 October 2020, available here.
[33] SMM, "[tin Summit] Global tinplate total production capacity and demand Challenge and Development of tinplate in the Field of Packaging", 30 October 2020, available here.

In addition, certain customers [*redacted – confidential information*] have informed TSUK that they are aware of the potential risk of longer lead times, delayed transport and limited technical support in case of Chinese imports, but they see this as a balance vs the lower prices.

Indeed, the downward trend due to pressure from imports is obvious when one looks at the UK industry's profitability when considering sales of subject products to unrelated entities. As shown in the table and chart below, the healthy market of 2022 no longer exists and the Applicant faces significant pressure.

[Redacted - *confidential information]*

]]

The Applicant's profitability data during the POI when looking at sales to unrelated entities show difficult market conditions, which confirms what the Applicant has presented here, namely that pressure that imports from China have put on volumes and prices would drive them into losses. Things are bound to get even worse unless urgent measures are taken.

Finally, with regard to *inventories*, while the Applicant does not have in their possession direct information on inventories in China, in their view the existing large gap in China between capacity and production on the one hand, and demand on the other, suggests the existence of significant inventory build-ups in China. In any case, while the Applicant consider this criterion to also be met, they note that, in their view, the threat of injury is mainly price based, and is manifest in this case.

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

There is abundant and clear evidence that in addition to currently suffering injury, the UK industry is threatened with imminent further injury due to significant drops in the annual contract prices for 2024 unless urgent action is taken to address pressure by dumped tin mill imports from China.

Section H: Causal link between the imported goods and injury to your industry

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

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

Regulation 27(1) of the D&S Regulations provides that "*the TRA is required to determine whether dumped goods or subsidised imports have caused or are causing injury to UK industry.*" Regulation 35 of the D&S Regulations further provides that the TRA must examine whether any other known factors other than dumped goods have caused or are causing injury to UK industry. In what follows the Applicant will demonstrate that there is a clear causal link between imports from China and the material injury suffered by the UK industry – and the threatened additional injury after the POI in this complaint. This injury cannot be attributed to any other factors.

Dumped Chinese imports caused the injury to the UK industry

The dumped imports from China caused the UK tin mill industry to lose sales and market share. The price impact is leading directly to injury as the Applicant faces rising raw material costs and pressure from imports driving down margins. The UK industry is suffering from very low profitability in the recent periods, due directly to pressure by imports. The increase in imports, and the low prices of those imports, led to the injury to the Applicant. Despite the UK industry's efforts to strengthen its competitiveness, these could not prevent injury being caused by the dumped imports.

The impact of prices and quantities of subject imports has significantly worsened over recent years, which was only possible due to artificially low Chinese export prices. Imports from China have quickly gained market share at the expense of the Applicant; as imports started massively undercutting the Applicant, whose sales volumes and prices would otherwise have been higher. Although the Applicant keeps a close eye on imports from other countries, it has no evidence to suggest that dumped imports from any other country are currently causing the material injury. As noted below, inputs from other countries are much smaller in volume, and generally higher in price, than those from China.

Unless redressed by anti-dumping measures, the low-priced imports from China, which currently enter the UK at low prices, will drive the UK tin mill industry into deep losses, lead to more lost sales, market share and more worker layoffs. The impact will be even greater in the future (i.e., in the period relevant for threat of injury – in other words, the period after the POI set out in the complaint) when the renegotiated prices for 2024 kick in.

The injury felt by the Applicant is mainly results from the dumped imports as opposed to any other factors (as discussed below). The temporary improvement in the Applicant's performance that occurred in 2022 was connected to a supply-demand imbalance following the COVID crisis, when UK buyers' fear of a shortage of supply allowed UK producers to pass on increased production costs and led customers to buy larger volumes of British tin mill, which increased profitability.

Moreover, shipping costs from China to Europe were high in the first half of 2022, in particular. Therefore, as explained in discussion of profitability above, the price trends and profitability in 2022 were disconnected from the rise of Chinese imports. This, however, has now changed as the favourable market conditions have passed, shipping costs are low again, and imports from China are again putting pressure on the Applicant.

This is demonstrated by the fact that this performance improvement was very short-lived and ended as soon as supply conditions were back to normal, while the market share of Chinese imports kept rising.

Things are bound to get worse unless urgent action is taken. As redirected low-priced Chinese exports flooded the UK market, sales were lost as customers switched to lower priced imports ahead of UK tin mill at prices that the customers had themselves negotiated for 2023. [*Redacted – confidential information*] The level of undercutting is striking: Chinese prices were below the Applicant's costs in the POI, as demonstrated by the table below.

Import prices / COGS	**2021**	**2022**	**POI 2023**
China import price (GBP /tonne)	1,049	1,317	992
Applicant's COGS (GBP/tonne)	[*redacted – confidential information*]		
Difference with Chinese prices	[*125-150*]	[*40-50*]	**[*-350- -400*]**

In fact, the only reason why the situation is not already worse is that most customers agreed annual prices for 2023 in November-December 2022. As discussed above, price erosion – and consequent drop of profits, became all too evident in the negotiation of the contract prices for 2024. Hence there is a threat of further injury. Thus, the British industry needs the TRA urgently to open an investigation.

2. Please indicate if the injury to your industry could be attributable in part or in full to any factors other than dumped or subsidised imports, for example:

- volume and prices of imports not sold at dumped prices;
- contraction in demand or changes in patterns of consumption;

- restrictive trade practices of, and competition between, third country and UK producers;
- developments in technology; and
- export performance and the productivity of the UK industry.
- This may be relevant as an industry weakened by other events may be more susceptible to injury from dumped or subsidised goods.

Please see APPENDIX B.1.

3. Please provide evidence to support this information.

Imports from China have been consistently high between 2020 and the POI (from 748KT to 992KT). They accounted for over 8% of the UK market in the POI**.** For comparison, other imports into the UK during the POI were 27,284KT and had a combined market share of 14%.

The countries whose imports were more than the threshold for *de minimis (*i.e., > 1% market share) in addition to China were France (5.2%), Germany (3.9%), Taiwan (2.2%), and Greece (1.6%).

Imports from **France** were much lower compared to China and also decreased significantly by 33 percentage points in the period 2020-POI. Their market share also decreased from 5.6% to 5.2% over this period. Prices of imports from France were appreciably higher compared to prices from China at GBP 1,475/tonne during the POI, and even higher than the prices of the Applicant [*GBP 1,000-1,400/tonne*] in the POI. This translates into negative undercutting.

Imports from **Germany** were also much lower compared to China and imports grew their market share over the period considered. Their market share increased from 1.7 to 3.9% over this period. Prices of imports from Germany were also materially higher compared to prices from China at GBP 1,565/tonne during the POI, which also translates to negative undercutting.

Imports from **Taiwan** were similar to Germany's with a 2.3% market share. They fell from 6,204 tonnes in 2020 to 4,358 tonnes in the POI. the Applicant does not have an information in its possession to suggest that imports from Taiwan were sold in the UK at dumped prices. Imports from **Greece** were just above the *de minimis* market share border of 1% during the POI, at just 1.6%. in the case of Greece we believe that this is a Greek SSC exporting a small amount of product into the UK, as we are not aware of any tin mill production in the country (*see* APPENDIX B.1).[34]

[34] As noted in fn 11 above, the TRA may wish to confirm that these imports are genuinely of Greek origin.

The capacity of the tin mill production in these other countries is considerably below that of China, which is 8-9 million tonnes:[35] France with 336KT; Germany with 200KT; and Taiwan with 80KT (*See* APPENDIX H.1) Moreover, the production facilities elsewhere are well established. This contrasts with the Chinese capacity which came on stream much more recently (i.e., over the last decade), and has been growing fast, such as to rapidly create the large overcapacity on the Chinese domestic market that we see today, which drives low-priced exports. This is why China is the big issue here and why it is clear that imports from other third countries do not break the chain of causation. *See* APPENDIX H.1 for further details.

Imports	**2020**	**2021**	**2022**	**POI 2023**
Imports from China (tonnes)	15,782	18,722	16,379	15,871
Index	**100**	**119**	**104**	**101**
China's market share of UK consumption	5.9%	6.9%	7.2%	8.1%
Index	**100**	**117**	**123**	**138**
Imports from France (tonnes)	15,108	8,830	9,554	10,185
Index	**100**	**58**	**63**	**67**
French market share of UK consumption	5.6%	3.2%	4.2%	5.2%
Index	**100**	**58**	**75**	**93**
Imports from Germany (tonnes)	4,626	5,208	4,854	7,628
Index	**100**	**113**	**105**	**165**
German market share of UK consumption	1.7%	1.9%	2.1%	3.9%

35 See fn 32 above.

Index	**100**	**111**	**124**	**226**
Imports from Taiwan (tonnes)	6,204	3,182	5,252	4,358
Index	**100**	**51**	**85**	**70**
Taiwanese market share of UK consumption	2.3%	1.2%	2.3%	2.2%
Index	**100**	**51**	**100**	**96**
Imports from Greece (tonnes)	1,910	3,455	3,659	3,114
Index	**100**	**181**	**192**	**163**
Greek market share of UK consumption	0.7%	1.3%	1.6%	1.6%
Index	**100**	**179**	**227**	**224**

Clearly, it was the Chinese imports that injured the Applicant. Although it cannot be excluded that one or more other countries may cause injury to the industry in the future, and the Applicant will monitor them carefully, no other countries are included in the complaint given the reasons stated above.

No self-injury

The UK tin mill industry is productive and efficient. It has consistently striven to achieve the highest degree of efficiency, and has not increased its capacity, despite fluctuating UK demand, and has made necessary investments that were, based on the prevailing market conditions at the time, wise and prudent.

Other factors also did not cause the injury to the UK industry

The injury has not been caused by the contraction in apparent consumption in the UK in 2022 and the POI. UK demand remained stable in the period 2020-2021. Even if it fell in the POI, it was low-priced, dumped Chinese imports, which increased in market share despite the market conditions and did not allow the Applicant to increase its market share.

Nor has there been a change in the pattern of consumption. Were it not for the low-priced Chinese imports, the Applicant would be able to function without material injury in the current market situation. It is not COVID-19 that is to blame, but rather the fact that the subject imports' market share grew through dumped prices in the most recent periods. Indeed, tin mill products were less affected by COVID than some other products given that consumption of tinned food was unaffected by the pandemic – indeed, many people may have eaten more tinned food than in previous years given the widespread closure of restaurants seen during 2020.

Furthermore, the current decrease in profitability is not due to the rising raw material and input prices. As discussed above in in relation to the most recent round of contract negotiations, under normal market conditions the UK producer would have been able to raise their prices fully in line with raw material prices. However, these raises have proven unattainable due to the pressure from low-priced imports, which undercut and undersold the Applicant. The UK producer is not in a position to compete with Chinese imports, which in some cases were priced even below the Applicant's costs.

Exchange rates are not a factor – save to the extent that they have made the British market an even more attractive target for Chinese exports. There has not been any major development in technology that could have caused injury. In fact, the British industry has led the way and is at the forefront of technical development. Neither is captive consumption an issue.

The export performance of the UK producer also did not cause its injury. The UK producer continues to export, though these are affected by the same issue as domestic sales, namely low-priced competition by dumped Chinese imports in the relevant export markets. UK producer's exports fell over from 2022 to the POI of 2023, but this was mainly due to pressure by Chinese exporters, which exported to other markets at prices much lower compared to the UK producer's export prices.

By way of an example, while the Applicant's average export price during the POI was £1,134 tonne, Chinese exports to the UK was below £1,000 per tonne (*see* APPENDIX B.1). With such low prices it is difficult to compete in the open market. This is further evidenced by other countries (e.g., Brazil, EU and USA) have also started their own AD investigations into cheap tin mill products imported from China, which is yet another reason why Chinese exports are likely to be redirected to the UK market unless urgent measures are taken.[36]

As explained above, the UK's producer's increased investments during the POI were also not a factor, as these were modest and we mainly made in order to maintain existing production, and compliance with stricter environmental and labour rules at international and UK level.

[36] See Brazilian Ministry of Development, Industry, Trade and Services/Secretariat of Foreign Trade, 'Circular No. 9, de 29 de Fevereiro de 2024', Diário Oficial da União (1 March 2024) available here.

Conclusion

As shown above, causation is manifest and hence regulation 35 of the D&S Regulations is satisfied. The UK industry would have achieved much better results but for the dumped imports from China. Those dumped imports have injured the UK industry, causing a massive loss in sales as customers switched to imports over UK-made tin mill products. The urgency of the need to stop the injury that the Chinese dumping is causing to the British industry is clear. Action is needed now. The situation is bound to get much worse unless urgent action is taken.

Declaration

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

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

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

The information contained in this application:

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

Name:	[*Redacted – contains personal data*]
Company/Association:	Tata Steel UK Limited
Position:	[*Redacted – contains personal data*]
Company Registration number (if applicable):	02280000
Date:	22 July 2024
Signature:	[*Redacted – contains personal data*]

Checklist

Important

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

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

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

✓ The details of the UK producers making the application and level of UK industry support for the application

✓ The details of all known UK producers/associations of UK producers of like goods

✓ The volume and value of the domestic production of the like goods both by producers making the application and all other known UK producers

✓ Information that the market share requirement is met

✓ A complete description of the imported goods

✓ The names of countries/territories of origin and export of the imported goods

✓ The details of the exporters or overseas producers of the imported goods

✓ The details of the companies or individuals known to be importing the goods

✓ Normal values of the goods ***Dumping applications only***

✓ Export prices of the goods ***Dumping applications only***

☐ ~~Details of subsidy programmes associated with the imported goods ***Subsidy applications only***~~

☐ ~~The amount of countervailable subsidy attributable to the alleged subsidised goods imported into the UK ***Subsidy applications only***~~

✓ Changes in import volumes of the goods

✓ Effects of the imported goods on prices of like goods produced in the UK

✓ Impact of the imports have caused to the UK industry