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**Subject:**      **AD0086 – Anti-dumping investigation concerning imports of rutile titanium dioxide ("TiO<sub>2</sub>") originating in People's Republic of China – Comments on the Application and Initiation of investigation by CNCIA**

Dear Madam, Sir,

We refer to the notice of initiation ("NOI") published on the United Kingdom Trade Remedies Authority (TRA)'s website on 3 March 2026 announcing the decision to investigate alleged dumping of rutile titanium dioxide ("TiO<sub>2</sub>") originating in the People's Republic of China (China).<sup>1</sup>

Our client – the China National Coatings Industry Association ("CNCIA") – would like to exercise its right under Article 6.2 of the WTO Anti-dumping Agreement ("ADA")<sup>2</sup> and Regulation 61(4) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 ("D&S Regulations") to comment on the Application filed by Tronox Pigment UK Limited ("Tronox UK").

In these comments, our client will:

- Make some preliminary comments;
- Address the Applicant's allegations that Chinese imports have materially injured the UK rutile TiO<sub>2</sub> industry; and
- Respond to the Applicant's allegations that UK rutile TiO<sub>2</sub> industry faces threat of material injury.

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<sup>1</sup> Trade Remedies Authority, Notice of Initiation, Investigation No. AD0086, 3 March 2026, available at < <https://www.trade-remedies.service.gov.uk/public/case/AD0086/submission/3f6d7555-d691-4fa8-b0cd-78dc30372724/> >.

<sup>2</sup> The first sentence of Article 6.2 of the ADA provides that "throughout the anti-dumping investigation all interested parties shall have a full opportunity for the defence of their interests."

## 1. Preliminary remarks

At the outset, the CNCIA will remark on the (i) alleged intent of the LB Group to eliminate western suppliers; and (ii) the request to exclude ink-grade TiO<sub>2</sub> from the scope of the investigation or to grant an end-use exemption.

*First*, the Applicant has resorted to hyperbole in its Application, perhaps in an attempt to present its situation as much worse than it is, and to paint Chinese exporters as predatory. At this point, the CNCIA remarks on this comment by the Applicant:

*[T]he closure of non-Chinese production capacities has accelerated since 2022 [Sensitive information removed – Market information and Applicant's business data]. Chillingly, LB Group predicted these closures when it stated at an industry conference in November 2022 that the growth of the Chinese TiO<sub>2</sub> production capacity will result in the "[r]emoval of capacity by Western suppliers."<sup>3</sup>*

Contrary to the Applicant's assertions (which appear to be a wilful misrepresentation of the LB Group's comments), the LB Group made the statement to explain the trends in 2021. The LB Group observed that the APAC region held about 60% of global capacity due to, *inter alia*, "Removal of capacity by Western Suppliers" in 2021.<sup>4</sup> What is more, the presentation was made in 2022, further demonstrating the ill will of the Applicant in choosing to misrepresent comments by the LB Group. The TRA should therefore not give any credence to such assertions by the Applicant.

*Second*, in its pre-sampling questionnaire, CNCIA requested the TRA to exclude ink-grade TiO<sub>2</sub> from the scope of the investigation or to grant an end-use exemption.<sup>5</sup> The CNCIA explained that first, UK industry does not produce ink-grade TiO<sub>2</sub>, and therefore UK users rely exclusively on imports. This information was corroborated by an ink producer based in the UK.<sup>6</sup> The CNCIA further explained that imported ink-grade TiO<sub>2</sub> is not "like" other standard types of rutile TiO<sub>2</sub>, and that in any event, these products are not interchangeable/substitutable. The LB Group submitted detailed comments on the absence of likeness between these two types of products with regard to physical properties, functionality, production process and technology and consumer perception.<sup>7</sup> The CNCIA does not wish to repeat those arguments here, but incorporates them by reference and requests the TRA to take them into account and to either exclude ink-grade TiO<sub>2</sub> from the investigation or grant an end-use exemption.

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<sup>3</sup> Application, page 65.

<sup>4</sup> Application, *Annex F.1.2.2*, page 20.

<sup>5</sup> CNCIA's Pre-sampling questionnaire dated 18 March 2026.

<sup>6</sup> Registration Form completed by an Ink Producer whose identity was withheld by the TRA, file no. 20260323090748, 18 March 2026, page 10.

<sup>7</sup> Request by Billions Europe Ltd. to or Exempt Ink-Grade Titanium Dioxide from the Scope of the Investigation, file no. 20260331133226, 31 March 2026.

## 2. The UK industry has not suffered material injury

CNCIA considers that the Applicant's narrative that Chinese imports of rutile TiO<sub>2</sub> are injuring UK industry is misleading and is based on a distorted and unobjective presentation of data. As the CNCIA will demonstrate in this section, the volume of Chinese imports did not increase during the POI, and the situation of the UK industry actually improved by almost all metrics. Thus, contrary to the narrative painted by the Applicant, the UK industry appears to be on a recovery path, and not one of deterioration. Finally, to the extent that the UK industry is suffering injury, the Applicant has failed to demonstrate that such injury is on account of Chinese imports. To the contrary, the evolution of its economic situation is detached from that of Chinese imports. Moreover, its economic situation is attributable to factors that have nothing to do with Chinese imports.

### i) Domestic demand for rutile TiO<sub>2</sub>

At the outset, the CNCIA notes that domestic demand evolved as follows during the Injury Investigation Period ("IIP"):

	2022	2023	2024	POI
Consumption (MT)	100	96	105	104

Source: Application, Table 4

As the Applicant's own data shows, domestic demand for rutile TiO<sub>2</sub> was higher in 2024 and during the POI compared to both 2022 and 2023. These trends thus undermine the Applicant's argument that 2022 was an "anomalous year" which was "driven by massive stimulus spending" and "unprecedented and urgent demand for paints and coatings and, consequently, for rutile TiO<sub>2</sub>"<sup>8</sup> and its attempt to use 2023 as the base year when assessing the trends in Chinese imports and market share.<sup>9</sup>

In CNCIA's view, the fact that demand in 2022 was high (potentially due to government spending) is a moot point, since 2024 and the POI witnessed even higher demand. Yet, the Applicant has not explained the reason for these levels of demand, or how these trends sit with its attempt to disregard 2022 as the base year.

Thus, the CNCIA considers that the TRA should consider 2022 as the base year, as there is no justification from departing from the statutory requirement to use the "*three twelve month periods preceding the period of that investigation*".<sup>10</sup> The Applicant's attempt to have the TRA evaluate the evolution of trends in Chinese imports and market share from 2023 should therefore be disregarded.

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<sup>8</sup> Application, page 49.

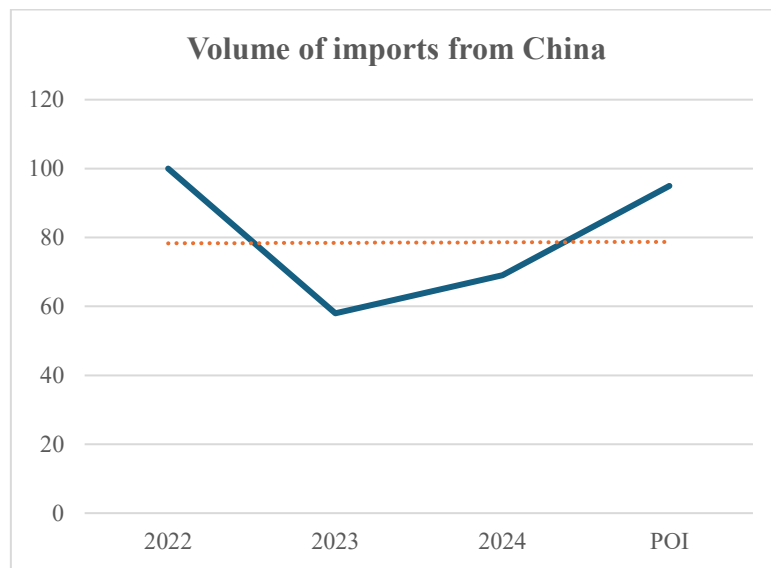
<sup>9</sup> Application, page 48.

<sup>10</sup> D&S Regulations, Regulation 30(4).

**ii) Volume of imports**

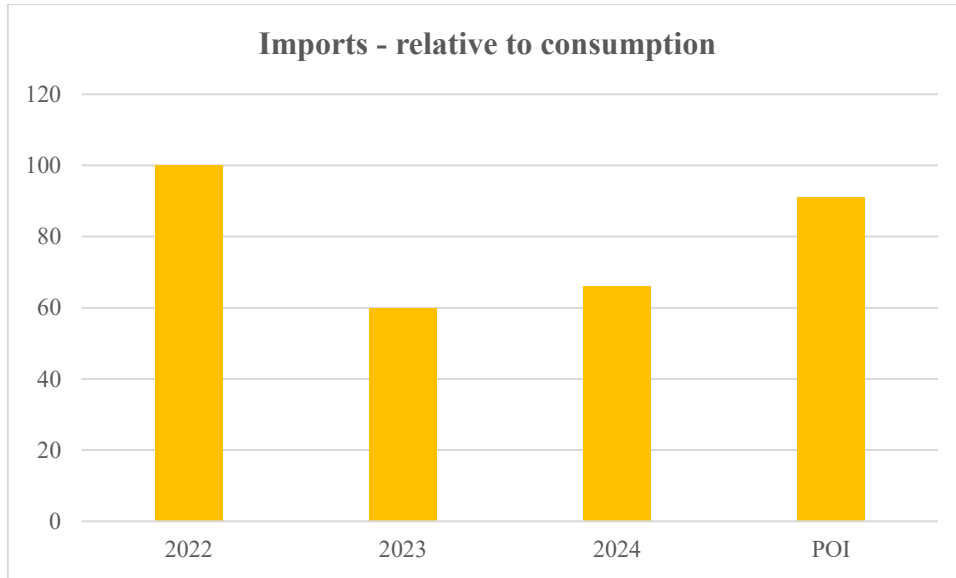
Regulation 31 of the D&S Regulations provides that in considering the volume of dumped imports, "*the TRA must consider whether there has been a significant increase in the dumped goods ... either in absolute terms or relative to domestic production or consumption.*" In this context, the CNCIA notes that there was no significant increase in Chinese imports, neither in absolute terms, nor relative to domestic production/consumption.

According to the Applicant's data, the volume of rutile TiO<sub>2</sub> imports from China evolved as follows during the IP:



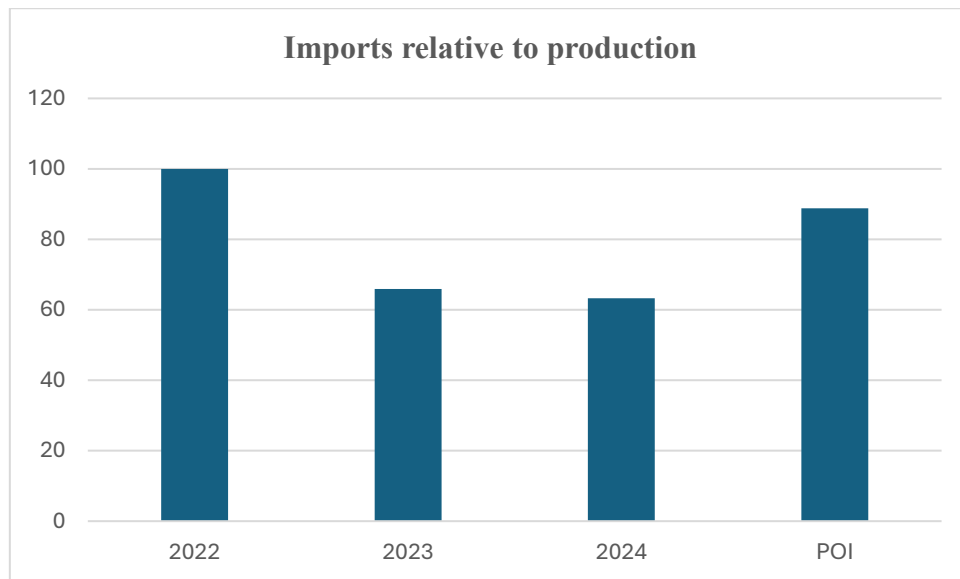
*Source: Application, Table 5*

As is evident from the table above, in absolute terms, the volume of Chinese imports was lower at the end of the IIP than during the base year. The TRA will also note that the volume of Chinese imports relative to domestic consumption was also (much) lower at the end of the IP than during the base year (by 9%):



Source: Application, Tables 4 and 5

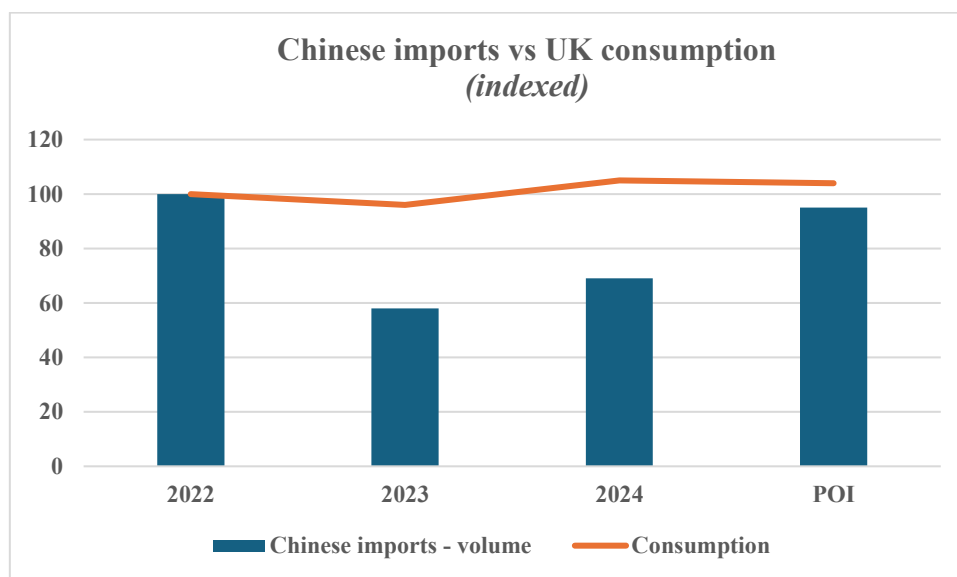
Similarly, the volume of imports relative to domestic production was even far lower at the end of the IIP than during the base year (by 11%):



Source: Application, Tables 5 and 8

In this context, the CNCIA notes that viewed through all three lenses (absolute terms, relative to domestic production and relative to domestic consumption), the volume of imports was lower during the end of the IIP compared to the base year. In absolute terms and relative to domestic consumption, the volume of imports steeply declined in 2023, increased slightly in 2024 and further increased during the POI. Relative to domestic production, the volume of imports steeply declined in 2023, further declined slightly in 2024 and rebounded during the POI (while remaining lower than in 2022).

Finally, the trends in Chinese imports followed the same trends as consumption: imports declined significantly in 2023 when domestic demand declined, and increased slightly in 2024 and during the IP as the domestic demand increased in both periods.



Source: Application, Tables 4 and 5

Moreover, the year-on-year increase observed from 2024 cannot be considered "significant", as required by Regulation 31 and Article 3.1 of the ADA. The term "significant" connotes an increase which is "noteworthy", "consequential", "influential".<sup>11</sup> CNCIA agrees that there are no established thresholds for what increase could be considered to be "significant". But the fact that the level of imports in absolute terms, relative to domestic production and relative to domestic consumption remained lower during the POI compared to the base year strongly indicates that the year-on-year increase cannot be considered consequential or influential by any means.

The insignificance of the increase is even more elaborate when seen in light of the Applicant's argument that in 2022 "driven by massive government stimulus spending there was unprecedented and urgent demand for paints and coatings and, consequently, for Rutile TiO<sub>2</sub>." According to the Applicant, due to the market conditions in that year, "the three large UK paints and coatings producers rushed to secure these exceptional additional volumes of Rutile TiO<sub>2</sub> and, ... they turned to Chinese Rutile TiO<sub>2</sub> producers."<sup>12</sup> In other words, if 2022 was the year of massive imports of Chinese rutile TiO<sub>2</sub> due to government stimulus, how can the increase in imports from 2023-2024-2025, during which the volume of imports remained lower than in 2022, be considered "significant"?

<sup>11</sup> Panel Report, *Pakistan – BOPP Film (UAE)*, paras. 7.262-7.264.

<sup>12</sup> Application, page 49.

### iii) Price effects

The Applicant claims Chinese imports have resulted in price undercutting and underselling.<sup>13</sup>

Starting with the allegations of price undercutting, the CNCIA notes, *first*, the Applicant's assertion that "*non-Chinese producers*" offer "*higher-quality*" products than the Chinese producers.<sup>14</sup> Yet, in the Application, the Applicant does not appear to have considered this difference between the imported and like goods in its price comparison. The CNCIA recalls that the quality of the rutile TiO<sub>2</sub> would comprise a "*factor affecting prices*" within the meaning of Regulation 33(b), and therefore, the CNCIA requests the TRA to consider this factor in its assessment.

Moreover, the CNCIA recalls that a price undercutting assessment entails a comparison between the allegedly dumped goods and the "*price of the like goods produced in the United Kingdom*".<sup>15</sup> In this context, the CNCIA notes that WTO Panels have determined that an objective examination based on positive evidence means, *inter alia*, that:

*when an investigating authority compares the prices of the dumped imports and those of the domestic like product, it must ensure that the prices being compared are, in fact, properly comparable. 'As soon as price comparisons are made, price comparability necessarily arises as an issue.' Therefore, an investigating authority must ensure price comparability whenever price comparisons are made, not just in a price undercutting analysis. Of course, the most direct instance of price comparison is in the context of considering price undercutting. However, an investigating authority's consideration of price depression or price suppression may also involve comparison of prices, and to the extent it does, the investigating authority must ensure that the prices being compared are properly comparable.*<sup>16</sup>

Thus, it is paramount that the TRA takes into account the price comparability of the products in its assessment in order to establish whether there were price effects, and the extent of any undercutting/depression/suppression as accurately as possible.

*Second*, while the Applicant argues that it was forced to reduce its prices due to Chinese imports, this argument is to be taken with caution. In its Q3 of 2025 Financial Results, Tronox's CEO stated as follows: "*While a competitor's insolvency proceedings are expected to benefit Tronox's future sales volumes, we saw a temporary headwind in the third quarter with more aggressive liquidation of inventory at below-market pricing.*"<sup>17</sup> The CNCIA thus considers that

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<sup>13</sup> Application, page 51.

<sup>14</sup> See e.g., Application, page 51.

<sup>15</sup> D&S Regulation, regulation 32(a).

<sup>16</sup> See e.g. Panel Report, *Korea – Pneumatic Valves (Japan)*, para. 7.266.

<sup>17</sup> Tronox Reports Third Quarter 2025 Financial Results, 5 November 2025, available at < <https://www.prnewswire.com/news-releases/tronox-reports-third-quarter-2025-financial-results-302606221.html> >.

the TRA ought to take into account this factor in its price undercutting assessment. This is because Article 3.1 of the ADA requires a consideration of the "*effect of the dumped imports on prices in the domestic market for like products*". In other words, it is not sufficient to only consider what is happening to domestic prices; rather, the TRA is required to establish whether the allegedly dumped imports have an explanatory force on the price phenomena at issue.<sup>18</sup>

Turning to the Applicant's arguments on underselling, the Applicant calculated an underselling margin of 67.9%.<sup>19</sup> The CNCIA does not have sufficient information to allow it to understand how the Applicant arrived at this margin. In any event, the CNCIA recalls that the TRA Guidance on injury margins stipulates that the "*target price*" represents the price that would prevail in the UK "*in the absence of dumped ... imports*".<sup>20</sup>

The guidance further states that in calculating the normal rate of profit, the TRA ought to consider the profit rate achieved "*in an earlier period when there were no dumped imports on the UK market*".<sup>21</sup> The guidance also requires that the "*normal profit is not the level of profit that would ensure the survival of the UK industry, or the level of profit that UK industry seeks to achieve for investment decision purposes. ... It also does not necessarily relate to a time when there was a complete absence of imports from the country concerned into the UK market. Instead, it is the actual level of profit that UK industry could achieve going forwards in the absence of dumped ... imports*".<sup>22</sup>

In this regard, the CNCIA requests the TRA to consider the fact that the Applicant has been loss-making since the beginning of the IIP. Thus, the CNCIA doubts that the Applicant could have been profitable in the absence of allegedly dumped imports, let alone achieved the alleged pre-tax profit of 20%.<sup>23</sup> Additionally, the stated pre-tax profit is allegedly the "*pre-tax profit margin ... for the 10 best-performing Rutile TiO<sub>2</sub> plants outside of China in 2024*".<sup>24</sup> However, the basis for establishing the pre-tax profit cannot be the 10-best performing plants. Rather, it should be based on the Applicant's own performance in the recent past.

Moreover, as the CNCIA demonstrates in the subsequent section, the Applicant made losses even when its sales increased exponentially (by 70% in a single year)<sup>25</sup>, which strongly

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<sup>18</sup> Appellate Body Report, *China – GOES*, para. 138.

<sup>19</sup> Application, page 60.

<sup>20</sup> Trade Remedies Authority (TRA) dumping, subsidisation and safeguarding investigations guidance, available at < <https://www.gov.uk/guidance/trade-remedies-investigations-directorate-trid-dumping-and-subsidisation-investigations-guidance/injury-margins> >.

<sup>21</sup> Trade Remedies Authority (TRA) dumping, subsidisation and safeguarding investigations guidance, available at < <https://www.gov.uk/guidance/trade-remedies-investigations-directorate-trid-dumping-and-subsidisation-investigations-guidance/injury-margins> >.

<sup>22</sup> Trade Remedies Authority (TRA) dumping, subsidisation and safeguarding investigations guidance, available at < <https://www.gov.uk/guidance/trade-remedies-investigations-directorate-trid-dumping-and-subsidisation-investigations-guidance/injury-margins> >.

<sup>23</sup> Application, page 59.

<sup>24</sup> Application, page 59.

<sup>25</sup> Application, Table 9.

suggests that the Applicant's financial woes are caused by other (and potentially internal) problems such as inefficiencies.

Finally, the CNCIA considers that the starting point for calculating the target profit should also not be as far back as when the Applicant alleges the growth of Chinese imports began (in 2009).<sup>26</sup> It has to be reasonable enough in order to accurately establish the underselling margin.

**iv) Impact of the allegedly dumped imports on the UK industry**

Regulation 33 of the D&S Regulations requires the TRA to take into account all relevant economic factors and indices having a bearing on the UK industry in considering the consequent impact of the dumped goods on the UK industry. While considering as similar provision of the ADA (Article 3.4), the WTO Appellate Body has stated that an examination of the "**impact**" requires an examination of the "*explanatory force*" of the subject imports on the domestic industry.<sup>27</sup> This means that the authority is required to examine the trends in the economic factors and connect them to the effects of the allegedly dumped imports.<sup>28</sup> The CNCIA also recalls that the TRA is required to evaluate the injury factors "*in context and in connection with one another*."<sup>29</sup> Thus, the factors should not be considered in isolation.

As the CNCIA will show in this section, the Applicant's data does not support the allegation that Chinese imports had an impact on the state of the domestic industry.

***Sales and market share***

The data on sales and market shares does not speak to an industry that is suffering material injury, let alone paint a "*bleak picture*".<sup>30</sup> Far from it. The UK industry's sales and market share increased during the IIP, which significantly undermines the Applicant's claim that Chinese imports were the cause of injury. The Applicant's sales and market share also increased significantly during the IIP:

	2022	2023	2024	POI
UK industry sales volume	100	115	122	106
UK industry market share	100	120	118	102
Applicant's UK sales volume	100	170	205	186
Applicant's UK market share	100	177	197	179
Volume of Chinese imports	100	58	69	95
Market share of Chinese imports	100	60	67	92

<sup>26</sup> Application, page 49.

<sup>27</sup> Appellate Body Report, *Korea – Pneumatic Valves*, para. 5.166, citing Appellate Body Report, *China – HP-SSST (Japan/EU)*, para 5.205.

<sup>28</sup> Panel Report, *China - Cellulose Pulp*, para. 7.65.

<sup>29</sup> Panel Report, *Korea – Certain Paper*, para. 7.272.

<sup>30</sup> Application, page 55.

Source: Application, Tables 5, 7 and 9

From this data, the CNCIA makes the following observations:

*First*, the UK industry sales and market share increased in 2023 and 2024, before declining during the POI. However, even with the decline during the POI, the sales and market share during the POI were 6% higher level than during the base year. Moreover, this decline has to be viewed with caution, since Venator suspended UK production during the POI. In fact, as the CNCIA demonstrates in the subsequent paragraph, the Applicant's sales remained significantly high during the POI.

*Second*, the Applicant's sales and market share increased exponentially in 2023 (by 70% and 77% respectively), increased further in 2024, before barely declining during the POI. The Applicant's sales increased by 86% (!) on an end-point-to-end-point basis, while its market share increased by 79% (!) on an end-point-to-end-point basis. This is clearly not an industry that is losing market share to Chinese imports, as alleged in the Application. This increase is even more significant when viewed in light of the fact that the domestic market increased by only 4% during the POI compared to the base year. In other words, while the UK market slightly expanded, the Applicant's market share increased dramatically.

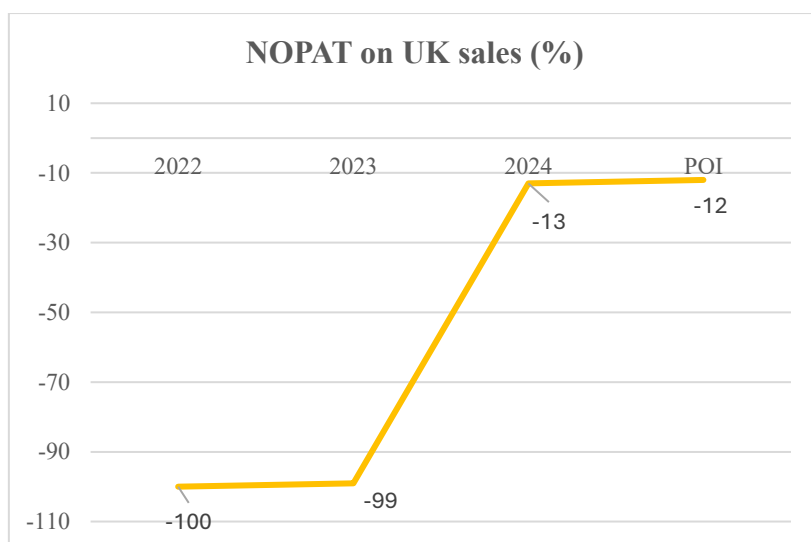
*Third*, the market share held by Chinese imports at the end of the IIP was lower than during the base year (by 8%). Yet, during this same period (i.e., the POI), the UK industry's market share was 2% higher than during the base year, while the Applicant's market share was 79% above the base year. This further undermines the Applicant's argument that it suffered material injury, and does not demonstrate the existence of an explanatory force between the allegedly dumped imports and the state of the domestic industry.

### **Profits**

According to the Applicant, their profits evolved as follows during the IIP:

	2022	2023	2024	POI
NOPAT on UK sales (GBP)	-100	-158	-24	-19
NOPAT on UK sales (%)	-100	-99	-13	-12
Volume of Chinese imports	100	58	69	95
Market share of Chinese imports	100	60	67	92
UK import price of Chinese imports	100	73	79	71

Source: Application, Table 12



Source: Application, Table 12

The data indicates that first, the Applicant was always loss-making. It made enormous losses in 2023, yet in that year, **Chinese imports declined by 42%**, and the Applicant's sales increased by 70%. The Applicant saw the lowest level of losses during the POI – yet this period coincides with the period when the Chinese imports were higher than in 2023, and prices of Chinese imports were lower than 2023. There is therefore a disconnect between Chinese imports and the Applicant's profitability, which demonstrates that Chinese imports do not have an explanatory force on the Applicant's profitability.

#### **Return on Investments (ROI), investments and cashflow**

While the Applicant's ROI and cashflow were negative throughout the IP, its situation progressively improved. Moreover, it continued to invest throughout the IP:

	2022	2023	2024	POI
ROI (%)	-100	-50	-14	-5
Investments (GBP)	100	117	135	121
Cashflow (GBP)	-100	-77	-55	-42
Volume of Chinese imports	100	58	69	95

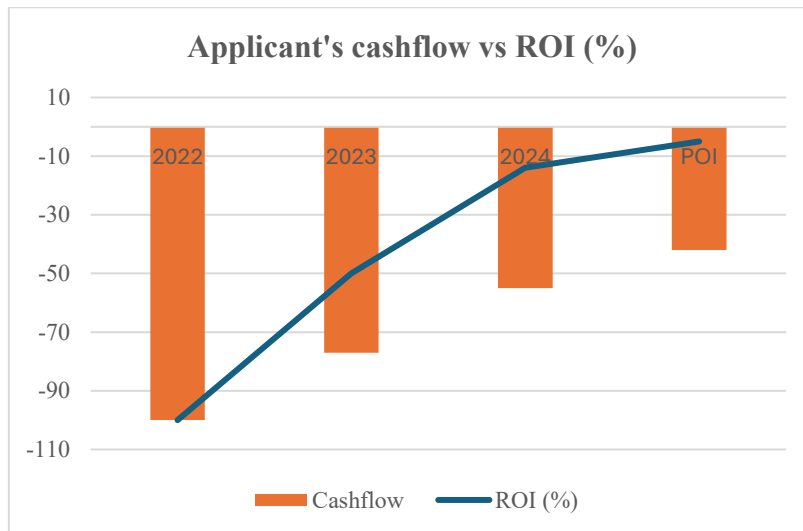
Source: Application, Table 12

*First*, the Applicant's financial situation with respect to ROI improved significantly throughout the IP. In fact, the Applicant witnessed its best ROI during the POI: the same period when Chinese imports were at their highest compared to 2023 and 2024. This, again, demonstrates an absence of a link between the situation of the Applicant and the allegedly dumped imports.

*Second*, although the Applicant claims to have been struggling on account of Chinese imports, its investments continued throughout the IP, and in fact increased in 2023 and 2024 compared

to the preceding years, and during the POI compared to the base year. This, again, points to an industry that was recovering from a negative financial situation.

*Third*, the TRA ought to assess the trends in the ROI in light of the investments. The ROI improved despite the increase in the level of investments, which suggests that, but for the investments, the ROI would have been even higher. This further indicates strong financial performance for the Applicant, and undermines the argument that the Applicant is injured, let alone materially injured by Chinese imports.



*Source: Application, Table 12.*

*Fourth*, the Applicant's cashflow improved throughout the IP (both year-on-year and point-to-point), even though it continued to invest (and increase its investments) during that period. This indicates that the Applicant had the ability to continue to invest, maintain its operations, and grow. The improved cashflows also coincided with improved ROI throughout the IIP; which indicates potential recovery and in any event, the absence of injury.

In sum, these data, which speak to a company's financial health, all indicate that (i) the Applicant was recovering throughout the IP, and (ii) there was no connection between the factors considered herein and Chinese imports.

***Outputs: production capacity, production, capacity utilization***

The Applicant's production capacity remained stable during the IIP, while its production and capacity utilization increased on an end-point-to-end-point basis; and also in 2024 and the POI compared to the preceding year. This further demonstrates that the Applicant has not suffered material injury, but to the contrary, is thriving in its production:

	2022	2023	2024	POI
Production capacity (MT)	100	100	100	100
Production (MT)	100	88	109	107
Capacity utilization (%)	100	88	109	107
Volume of Chinese imports	100	58	69	95

*Source: Application, Tables 5 and 8*

Additionally, as can be seen from the table above, there is a significant disconnect between the trends in Chinese imports and the trends in the Applicant's production and capacity utilization. In 2024 and the POI, during which Chinese imports increased slightly, the Applicant's production and capacity utilization increased as well. Yet, in 2023, Chinese imports dipped significantly, which coincided with a decline in the Applicant's production and capacity utilization. This demonstrates that there is no explanatory link between Chinese imports and the Applicant's production and capacity utilization.

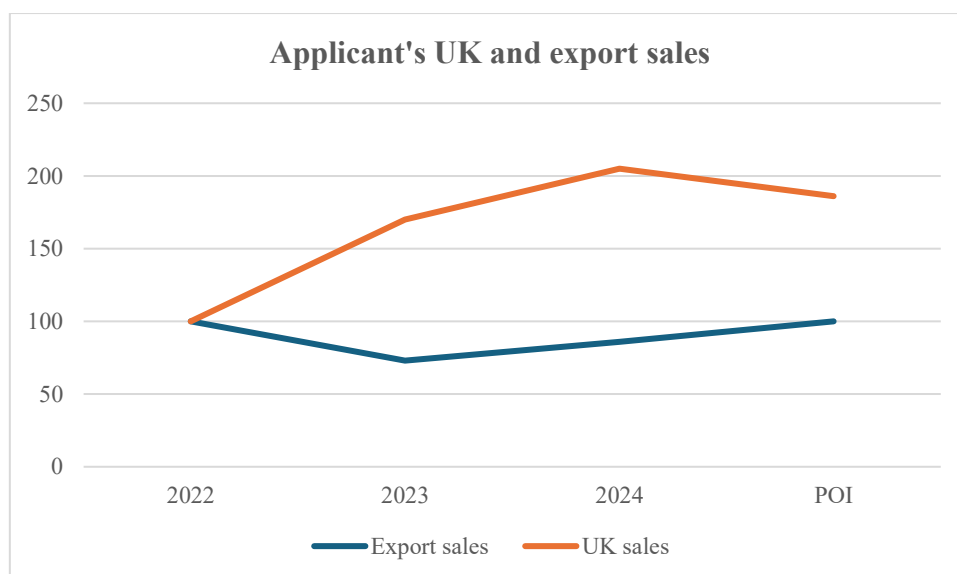
Moreover, the CNCIA notes that the level of production is quite significant considering that in 2025, Tronox announced that it had "lowered operating rates" in its UK facility.<sup>31</sup> Yet, even at the *lower operating rates*, its production was 7% higher than the base year.

### ***Export sales***

The Applicant's export sales slightly declined in 2023, before resuming the level they were at during the base year. Seen in light of (i) its increased production, and (ii) the evolution of its UK sales, it is evident that the Applicant was able to offload their output in the UK market, and did not need to increase its exports to other markets. Nor can it be deduced that the increased production was production for export – it was in fact production for UK domestic sales.

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<sup>31</sup> Tronox Reports Third Quarter 2025 Financial Results, 5 November 2025: available at < <https://www.prnewswire.com/news-releases/tronox-reports-third-quarter-2025-financial-results-302606221.html> >.



Source: Application, Table 9

In sum, the Applicant was able to exponentially increase its domestic UK sales, while not increasing its export sales in the slightest. This further strongly suggests that the weaker export performance may have caused the Applicant injury, as explained below.

### Employment

The Applicant's level of employment remained rather stable during the IIP:

	2022	2023	2024	POI
Employment (FTE)	100	97	100	102
Volume of Chinese imports	100	58	69	95

Source: Application, Tables 5 and 8

The slight decline in the level of employment (3%) coincided with the steep decline in Chinese imports. During the POI, the level of employment increased by 2% compared to the base year, and was at the highest level of the IIP. This further signals a rather healthy industry which was doing well during the most recent period.

### Growth

The Applicant experienced growth during the IP. The CNCIA illustrates this growth using metrics which are used by the TRA: UK consumption, UK domestic production, market share and employment:<sup>32</sup>

<sup>32</sup> See also Final Determination, *Biodiesel from China*, paras. 548-549.

	2022	2023	2024	POI
Consumption (MT)	100	96	105	104
Applicant's market share	100	177	197	179
Applicant's production (MT)	100	88	109	107
Employment (FTE)	100	97	100	102

Source: Application, Tables 4, 8, 9 and 11

As the data shows, comparing the POI to the base year, it is apparent that while consumption increased slightly during the IP (by 4%), the Applicant's production increased by a larger margin (by 7%), its market share increased exponentially (by 79%), and its employment also increased (by 2%). These trends signal that the Applicant grew during the IP, which further contradicts the allegations of injury.

***The Applicant failed to provide sufficient evidence of all the 'mandatory' list of factors***

The CNCIA notes that the Application does not include sufficient evidence of the state of the UK industry with regard to productivity. In this regard, the CNCIA notes that "productivity" is one of the mandatory factors listed in Regulation 33 and Article 3.4 of the ADA which must be evaluated "in all cases".<sup>33</sup> By failing to provide evidence regarding this factor in the Application, the Application fell short of the requirement of Article 5.2 of the ADA (to include sufficient evidence of, *inter alia*, injury) and also denied interested parties an opportunity to comment on the same.

***Conclusion on the state of the domestic industry***

In conclusion, the majority of the economic factors show positive developments during the injury period. This indicates that the UK industry did not suffer injury during this period, but rather appears to have been performing well in the UK market and in fact improving during the most recent period of the IIP:

	2022	2023	2024	POI
UK industry sales volume	100	115	122	106
UK industry market share	100	120	118	102
Applicant's UK sales volume	100	170	205	186
Applicant's UK market share	100	177	197	179
NOPAT on UK sales (GBP)	-100	-158	-24	-19
NOPAT on UK sales (%)	-100	-99	-13	-12
ROI (%)	-100	-50	-14	-5
Investments (GBP)	100	117	135	121

<sup>33</sup> See e.g., Panel Report, *EC – Bed Linen*, para. 6.154.

Cashflow (GBP)	-100	-77	-55	-42
Production (MT)	100	88	109	107
Capacity utilization (%)	100	88	109	107
Employment (FTE)	100	97	100	102

In sum, the Applicant's sales volumes increased significantly, so did its market share. Its profits, ROI and cashflows all improved. It made investments throughout the IP, and in fact at higher levels compared to the base year. Its production and capacity utilization improved; and finally, its level of employment improved. Moreover, the Applicant grew during the IP. All these factors speak to a thriving domestic industry; not one that is suffering material injury, as claimed by the Applicant.

**v) There is no causal link between the injury allegedly suffered by the Applicant and Chinese imports**

In this section, CNCIA will demonstrate that the Application does not contain sufficient evidence of a causal link between imports of Chinese rutile TiO<sub>2</sub> and the injury allegedly suffered by the UK rutile TiO<sub>2</sub> industry, and does not meet the applicable causation standard.

In this context, the CNCIA notes that, pursuant to Regulation 35 and Article 3.5 of the ADA, the TRA is required to examine "*whether any known factors other than the dumped goods ... ("other known factors") have caused or are causing injury to a UK industry*". Moreover, injury caused by other known factors "*must not be attributed to the dumped goods*". CNCIA also recalls that Regulation 35 and Article 3.5 of the ADA must be read together with Regulations 31, 32 and 33; and Articles 3.1, 3.2 and 3.4 of the ADA. Those provisions require an objective examination, based on positive evidence, of the volume of dumped imports, their effect on prices, and their consequent impact on domestic producers, including all relevant economic factors bearing on the state of the domestic industry.

Below, the CNCIA will first demonstrate that the positive attribution test has not been met, before illustrating other factors which contributed to the alleged injury suffered by the UK industry.

***The positive attribution test has not been met***

The Application does not contain sufficient evidence of the causal link between the state of the domestic industry and the evolution of Chinese imports. It asserts that Chinese imports caused injury, but it does not demonstrate a clear relationship between Chinese import volumes, and the existence of material injury on its part. The Application proceeds from the fact that Chinese imports allegedly increased and that the Applicant remained loss-making, and then concludes that Chinese imports must have caused those losses.

*First*, as seen from the Applicant's data and demonstrated in the preceding section, the volume of Chinese imports did not increase in absolute or relative terms during the POI. The volume

resumed close to the same level as during the base year, but in fact remained below the base year throughout the IP.

*Second*, the Application alleges that Chinese imports caused the Applicant's continued losses, finance costs and underinvestment.<sup>34</sup> However, based on the data provided by the Applicant, there is no coincidence between the evolution of Chinese imports and the state of the domestic industry:

- In 2023, the volume of Chinese imports declined steeply (by almost 50%), and the market share also declined significantly (by 40%). During the same period, the Applicant's NOPAT (%) on UK sales remained stable, while production and employment declined;
- In 2024, the volume of Chinese imports increased slightly. This coincided with an increase in the Applicant's UK sales volume, market share, production, investments, and employment. Impressively, the Applicant's NOPAT (%) on UK sales improved by a whopping 86 (!) points compared to the previous year, in spite of a slight increase the volume of Chinese imports.
- During the POI (2025), the volume of Chinese imports increased slightly; while the Applicant's NOPAT (%) on UK sales and ROI further improved.
- Throughout the IIP (irrespective of the trends in Chinese imports), the Applicant's ROI and cashflows significantly improved.

*Third*, the Applicant claims that its credit rating was downgraded due to Chinese imports. However, this argument does not hold any weight. The CNCIA notes that the downgrade is related to Tronox **Group**, and not to the UK producer.<sup>35</sup> Given the vertical integration of Tronox Group, it is exposed to vulnerabilities relating to various aspects of its value chain, including mining; and its performance in other parts of the world.<sup>36</sup> Thus, the downgrade of the entire Group is not informative of the effects of the allegedly dumped imports on UK production.

These trends show that the evolution of the Applicant's state was detached from Chinese imports, contrary to the narrative given in the Application.

### ***Various factors break the causal link***

Regulation 35 and Article 3.5 of the ADA require that known factors other than dumped imports, which at the same time are injuring the domestic industry, be examined, and that injury caused by those other factors not be attributed to dumped imports. As confirmed by the WTO

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<sup>34</sup> Application, pages 56-58.

<sup>35</sup> Application, pages 57.; Application, **Annex F.1.1.3**.

<sup>36</sup> See e.g., S&P, *Tronox Holdings PLC rating lowered to 'CCC+' from 'B' on elevated leverage; Outlook negative*, 18 December 2025, Application, **Annex F.1.1.3**.

Appellate Body in *US – Hot-Rolled Steel*, this requires an assessment of the injurious effects of other known causal factors and a separation and distinction of those effects from the injurious effects of dumped imports. Where the effects of dumped imports and other known factors remain indistinguishable, there is no rational basis for concluding that the injury attributed to dumped imports was in fact caused by those imports.<sup>37</sup>

The Applicant attributes its continued losses and related injury indicators to Chinese imports. At the same time, the Application itself, and the public materials on which it relies, identify other factors capable of affecting those same indicators, including rising costs, relatively weak export performance, Tronox UK's self-inflicted injury and Tronox Group's vertically integrated structure. Those factors affected the same indicators on which the Applicant relies, including sales volumes, market share, prices, profitability, cash flow, investment, finance costs and capacity utilisation. The TRA is therefore required to assess whether those factors caused or contributed to the injury alleged, and to separate and distinguish their effects from the effects attributed to Chinese imports. Finally, the Applicant's reliance on Venator's winding up does not support its narrative.

Starting with the *rising costs*, Venator identified one of the causes of its troubles as "*rising costs in recent months*".<sup>38</sup> Tronox has also identified energy disruptions, and the increased cost of energy, as a factor which can materially affect its business and financial results.<sup>39</sup> Tronox also referred to increasing "*raw materials and operational cost pressures*".<sup>40</sup> Additionally, the Application also states that the level of inflation from 2022 to the POI increased by 14% (!).<sup>41</sup> The cost of energy in the United Kingdom has been considerably high during the IIP and rose even further in 2025 compared to the previous year.<sup>42</sup>

The CNCIA submits that the rising costs of production in the UK are a significant cause of injury for domestic producers. The TRA therefore ought to evaluate, the contribution of this factor to the alleged injury experienced by the Applicant, and to separate and distinguish it from the injury allegedly caused by Chinese imports.

*Second*, as noted above, the Applicant's export performance was rather weak, which contributed to its adverse condition:

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<sup>37</sup> Appellate Body Report, *US – Hot-Rolled Steel*, paras. 223, 226 and 228.

<sup>38</sup> *Venator, Alvarez & Marsal appointed administrators to Venator plc holding companies; UK, US and France trading companies continue to operate as normal, September 2025, Annex C.1.1.*; Application, page 69.

<sup>39</sup> Tronox Group, 2025 Annual Report, page 13.

<sup>40</sup> See e.g., Tronox Reports Second Quarter 2025 Financial Results, 30 July 2025, available at < <https://www.tronox.com/tronox-reports-second-quarter-2025-financial-results/> >.

<sup>41</sup> Application, page 55.

<sup>42</sup> Prices: Trends in wholesale markets differ across regions, available at < <https://www.iea.org/reports/electricity-mid-year-update-2025/prices-trends-in-wholesale-markets-differ-across-regions> >. See also Application, page 58.

	2022	2023	2024	POI
Production volume	100	88	109	107
Export sales volume	100	73	86	100
UK sales volume	100	170	205	186

Source: Application, Tables 8 and 9

As is evident from the Applicant's data:

- (i) in 2023, while the Applicant's domestic sales increased exponentially (by 70%), its export sales declined by 27%;
- (ii) compared to the base year, in 2024, the Applicant's domestic production increased by 9% and its domestic sales increased by 105%, yet its export sales remained 14% lower than the base year; and
- (iii) compared to the base year, during the POI, the Applicant's domestic production increased by 7% and its domestic sales increased by 86%, yet its export sales were at the same level as the base year.

These trends show that while the UK sales improved, the export sales did not. In CNCIA's view, the relatively poor export performance contributed to the Applicant's alleged injury to a large extent.

*Third*, Tronox suffered self-inflicted injury during the IIP. In this context, the CNCIA notes that, as the Applicant admits, it suffered a force majeure incident in 2022. In its Q1 2022 Earnings Call, Tronox stated that "*extended downtime at Stallingborough adversely impacted production rates and fixed cost absorption*".<sup>43</sup> In 2025, Tronox also "*adjusted*" its Stallingborough pigment plant by "*lower[ing] operating rates*" and "*accelerating planned maintenance to align inventory with current market conditions*".<sup>44</sup> The "*downtime*" at the Stallingborough site "*[took] longer to come back online than anticipated*", which further hit the Applicant's earnings. According to the Applicant, "*excluding the unanticipated headwinds from product mix and the additional Stallingborough downtime, our Adjusted EBITDA would have been in-line with expectations*".<sup>45</sup> Thus, the Applicant admits that its earnings would have

<sup>43</sup> Tronox Holdings Plc, First Quarter 2022 Conference Call, 29 April 2022, available at < [https://s1.q4cdn.com/960380961/files/doc\\_financials/2022/q1/TROX\\_1Q-2022-Earnings-Presentation-vFF.pdf](https://s1.q4cdn.com/960380961/files/doc_financials/2022/q1/TROX_1Q-2022-Earnings-Presentation-vFF.pdf) >, slide 9.

<sup>44</sup> Tronox Reports Third Quarter 2025 Financial Results, 5 November 2025: available at < <https://www.prnewswire.com/news-releases/tronox-reports-third-quarter-2025-financial-results-302606221.html> >.

<sup>45</sup> Tronox Announces Closure of its Pigment Plant in China and Releases Selected Preliminary Fourth Quarter 2025 Financial Results, available at < <https://www.prnewswire.com/news-releases/tronox-announces-closure-of-its-pigment-plant-in-china-and-releases-selected-preliminary-fourth-quarter-2025-financial-results-302669734.html> >.

been more positive but for the "adjustments" at the Stallingborough plant, which, in turn, was its business decision. These aspects taken together speak of a UK industry which suffered self-inflicted harm which is completely detached from Chinese imports. The CNCIA thus requests the TRA to take these facts into account in its assessment and to properly distinguish them from the injury allegedly caused by Chinese imports.

*Fourth*, Tronox suffered injury from being vertically integrated in a global structure. Its costs, profitability, finance costs, cash flow and investment position may be affected by group-level economics and group-level decisions, including internal feedstock arrangements, transfer pricing, logistics, inventory valuation, upstream fixed costs, group capital allocation and liquidity management. For example, the Application links finance costs and creditworthiness to the Applicant's alleged injury, and its alleged high cost of financing. However, the CNCIA notes that the S&P downgrade concerns *Tronox Holdings plc*, not Tronox Pigment UK Limited. It also refers to broader group-level and market-wide factors, including weaker demand, oversupply, weak TiO<sub>2</sub> and zircon pricing, weak pigment and zircon volumes, leverage and interest costs.<sup>46</sup> That evidence shows financial pressure at *group level*, but it does not establish that Chinese Rutile TiO<sub>2</sub> imports into the UK negatively affected the Applicant's finance costs, liquidity position or cash-flow situation during the POI.

*Fifth*, the Application relies on Venator's difficulties as part of its causation narrative. However, Annex C.1.1 does not support the inference that those difficulties can be attributed to Chinese Rutile TiO<sub>2</sub> imports into the UK without a proper non-attribution analysis. That notice concerned the appointment of administrators to Venator Materials plc and two other non-trading holding companies, while stating that Venator Materials UK Limited, the main UK trading company, remained trading as normal outside any insolvency process. The same notice referred more broadly to Venator Group being severely impacted by increased competition and *rising costs*.

The later administration of Venator Materials UK Limited similarly does not provide the missing causal link. Annex C.1.2 refers to sustained financial pressures and challenging market conditions globally in the TiO<sub>2</sub> manufacturing sector. It also refers to increased competition, rising costs and a prolonged downturn in the TiO<sub>2</sub> industry. Those explanations identify wider market and company-specific pressures capable of affecting Venator independently of Chinese Rutile TiO<sub>2</sub> imports into the UK. As the Appellate Body explained in *US – Hot-Rolled Steel*, where the effects of dumped imports and other known factors remain lumped together and indistinguishable, there is no means of knowing whether injury ascribed to dumped imports was in reality caused by other factors.<sup>47</sup> That is precisely the problem here. The Application uses Venator's administration as support for Chinese import causation, while leaving the effects

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<sup>46</sup> Application, pages 57-58; Application, *Annex F.1.1.3*.

<sup>47</sup> Appellate Body Report, *United States – Anti-Dumping Measures on Certain Hot-Rolled Steel Products from Japan*, WT/DS184/AB/R, para 228.

of other factors such as increased competition, rising costs, global TiO<sub>2</sub> market conditions and Venator-specific financial pressures indistinguishable.

Venator's 2023 Chapter 11 materials reinforce the same point. Annex F.1.1.1 describes a recapitalisation intended to reduce Venator's funded debt, strengthen its balance sheet and provide new capital. Venator itself referred to unprecedented economic headwinds, including significantly lower product demand and higher raw-material and energy costs in the second half of 2022. Those factors are directly relevant to Venator's financial condition and provide alternative explanations for Venator's difficulties. The Application does not explain why Venator's position should nevertheless be attributed to Chinese Rutile TiO<sub>2</sub> imports into the UK, or how the effects of those other factors were separated and distinguished from the effects attributed to Chinese imports.

### **3. The UK industry does not suffer threat of material injury**

At the outset, the CNCIA notes that the Applicant's assertions with regard to the threat of injury are hyperbolic, exaggerated and unsubstantiated.

*First*, the Applicant claims that the UK will "*continue to see an increase of dumped imports of Chinese Rutile TiO<sub>2</sub> until protective measures are put in place*".<sup>48</sup> However, the data shows that the evolution of Chinese imports was not "extreme" as the Applicant claims.<sup>49</sup> During the POI, they declined sharply in 2023 compared to 2022, and subsequently increased slightly, but remained below the base year. The Applicant's argument that the imports will increase dramatically is therefore pure conjecture.

*Second*, the Applicant speculates that the existence of anti-dumping and other duties in other export markets will lead to diversion of trade to the UK.<sup>50</sup> This argument, however, is unsupported by any evidence. For example, Brazil put in place provisional duties on Chinese TiO<sub>2</sub> in October 2024, while the EU's provisional measures went into force in July 2024 and its definitive measures went into force in January 2025. Instead of citing actual data on the alleged trade diversion, the Applicant merely made unsupported assertions, which ought not to be upheld by the TRA.

*Third*, the Applicant presents a long table (Table 15) of non-Chinese capacity which has closed since 2007 in a bid to support its argument that there is significant overcapacity in China and to support its claims of threat of injury.<sup>51</sup> However, the Applicant's claims must be taken with a pinch of salt. For example, while the Applicant mentions that the Kuan Yin facility in Taiwan was closed in 2023, it fails to set out the reasons for the said closure. When announcing this closure, Chemours stated that: "*the decision comes as part of a comprehensive strategy to*

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<sup>48</sup> Application, page 66.

<sup>49</sup> Application, page 66.

<sup>50</sup> Application, pages 66 and 68.

<sup>51</sup> Application, pages 63-66.

*improve the earnings quality of TT – producers of the popular Ti-Pure™ brand – by optimizing its manufacturing circuit.*"<sup>52</sup> Additionally, Kronos explained that it closed the sulfate process production line at its plant in Varennes, Canada, in response to *"the extended period of reduced demand in 2023"* as part of the *"measures to reduce our operating costs and improve our long-term cost structure"*.<sup>53</sup> There was no mention of Chinese imports/competition as a basis for closure of the Kuan Yin facility or the sulfate line in the Varennes plant.

Even more egregiously, the Applicant states that the Botlek facility in Netherlands was closed in 2025, with a closed capacity of 90,000 MT.<sup>54</sup> The Applicant omits to mention that its parent/related company owns the said Botlek facility and that it stated as follows in this regard: *"Tronox has informed its Netherlands' labor force that it intends to idle its 90,000 metric ton per year TiO<sub>2</sub> plant in Botlek, the Netherlands. The site is currently shut-down due to an outage by the site's chlorine supplier that began on March 6, 2025, but upon conclusion of consultation with the works council, is not expected to be brought back online."*<sup>55</sup> Evidently, the reason for idling this plant had nothing to do with Chinese competition. In fact, it appears that had the "consultation with the works council" turned out differently, Tronox would have resumed production. Tronox also explained that it closed Botlek as part of a wider group restructuring/liquidity plan.<sup>56</sup>

Finally, the Applicant claims that the Greatham facility in the UK resulted in closed capacity of 150,000 MT. This is not correct. The LB Group aims to restart production at this site in 2026.<sup>57</sup>

Thus, the Applicant's claims of idled facilities outside China must be taken with caution, particularly given the Applicant's attempt to link even purely commercial decisions to Chinese imports.

In sum, the Applicant's claims for threat of material injury are quintessential allegations, conjectures and remote possibilities. Moreover, the Applicant has not identified any *"clearly foreseen and imminent"* change in circumstances which would create a situation where Chinese

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<sup>52</sup> The Chemours Company Reports Second Quarter 2023 Results and Announces Closure of Titanium Dioxide Plant in Taiwan, 28 July 2023, available at < <https://www.chemours.com/en/news-media-center/all-news/press-releases/2023/the-chemours-company-reports-second-quarter-2023-results-and-announces-closure-of-titanium-dioxide-p> >.

<sup>53</sup> Kronos Worldwide, Inc., 2024 Annual Report, page 27.

<sup>54</sup> Application, page 65.

<sup>55</sup> Tronox Announces Intent to Idle its Pigment Plant in the Netherlands, 17 March 2025, available at < [https://s1.q4cdn.com/960380961/files/doc\\_news/Tronox-Announces-Intent-to-Idle-its-Pigment-Plant-in-the-Netherlands-2025.pdf](https://s1.q4cdn.com/960380961/files/doc_news/Tronox-Announces-Intent-to-Idle-its-Pigment-Plant-in-the-Netherlands-2025.pdf) >.

<sup>56</sup> Tronox Group, 2025 Annual Report, page 91.

<sup>57</sup> LB Group completes the acquisition of Venator manufacturing site, 27 April 2026, available at < <https://www.lomonbillions.global/lb-group-completes-the-acquisition-of-venator-manufacturing-site/> >.

imports would materially injure it. Thus, the Applicant's allegations cannot sustain a threat of injury determination.

#### **4. Conclusion**

In light of the above, the CNCIA maintains that the domestic industry, particularly the Applicant, has not suffered material injury, and certainly not on account of Chinese imports. Moreover, the Applicant's claims of threat of injury are not based on facts, but rather on conjecture, contrary to the statutory requirements. Thus, the CNCIA respectfully requests the TRA to terminate the present investigation without imposing anti-dumping measures on TiO<sub>2</sub> imports from China.

The CNCIA thanks the TRA for taking its comments into account and reserves its right to comment further on the issues raised in this submission and other emergent issues throughout these proceedings.

Yours sincerely,

Joris Cornelis  
Saweria Mwangi  
Emma Morsa