



TD0037 and TS0038

ANTI-DUMPING AND ANTI-SUBSIDY TRANSITION REVIEWS
CONCERNING IMPORTS OF ELECTRIC BICYCLES
ORIGINATING IN
THE PEOPLE'S REPUBLIC OF CHINA

Comments on the Statements of Essential Facts

by the China Chamber of Commerce for Import and Export of Machinery and Electronic
Products (CCCME)

14 June 2024

OPEN

1. The China Chamber of Commerce for Import and Export of Machinery and Electronic Products (the "CCCME") refers to the Statements of Essential Facts ("SEFs") issued by the UK Trade Remedies Authority ("TRA") on 24 May 2024 in the transition reviews of the anti-dumping and countervailing measures applicable to electric bicycles ("e-bikes") originating in the People's Republic of China (TD0037 and TS0038).
2. In the SEFs, the UK TRA has recommended the revocation of the anti-dumping and countervailing duties on imports of e-bikes from China.¹ The CCCME fully supports the TRA's recommendation and would like to respectfully highlight a few points.
3. The CCCME agrees with the TRA's findings that maintaining the anti-dumping and countervailing measures on e-bikes from China would not be in the economic interests of the UK and maintaining the existing measures would have a negative impact on the UK economy, which would significantly outweigh any possible benefit to the sole UK producer of e-bikes that cooperated in the reviews.
4. Indeed, as the TRA's investigation shows, even though there are "*at least 14 UK producers of e-bikes*", only Brompton Bicycles Ltd. ("Brompton") registered an interest in the reviews.² No other UK producers aside from Brompton came forward or submitted information.³ Thus, the majority of the UK e-bike producers did not cooperate in the investigation and the lack of cooperation from other UK producers establishes that these producers do not need protection and do not consider the extension of the measures necessary.
5. Moreover, as far as Brompton is concerned, according to the TRA's investigation, (i) Brompton has limited e-bike production of folding e-bikes only. Folding e-bikes account of only 4.2% of the UK market share;⁴ and (ii) Brompton's production and sales are mostly of conventional bikes and the company "*sells significantly fewer e-bikes than conventional bikes*".⁵

¹ Statement of Essential Facts in Transition review of an anti-dumping measure applying to electric bicycles originating in the People's Republic of China (PRC), Review No. TD0037 ("AD SEF"), para. 319; Statement of Essential Facts in Transition review of countervailing duties applying to electric bicycles originating in the People's Republic of China (PRC), Review No. TS0038 ("AS SEF"), para. 360.

² AD SEF, paras. 27 and 68; AS SEF, paras. 27 and 68.

³ AD SEF, para. 28; AS SEF, para. 28.

⁴ AD SEF, para. 69; AS SEF, para. 69.

⁵ AD SEF, para. 68; AS SEF, para. 68.

6. Thus, with the majority of the UK e-bikes demand being of "*[e]-mountain bikes and e-hybrid bikes [that] constitute around 80% of the market*",⁶ and the UK e-bikes market being heavily import reliant as the UK producers' market share is limited to "*around 4%*" according to the SEFs,⁷ any measures to protect Brompton will necessarily lead to an extremely negative impact on the UK importers, distributors and consumers.
7. Indeed, as has been found by the TRA:
- extending the existing anti-dumping and countervailing measures would result in significant welfare losses to the UK (of £2m to £79m per year in case of the anti-dumping measures, and of £1m to £40m per year in case of the countervailing measures);
 - consumers would have to pay significantly higher prices which could affect their overall welfare (by between £1m to £63m per year in case of the anti-dumping measures, and between £1m to £32m per year in case of the countervailing measures) and impose substantial costs on individual consumers (on average, of £143 per e-bike purchased in case of the anti-dumping measures, and of £67 per e-bike in case of the countervailing measures);
 - importers and retailers could face costs up to £17m per year in case of the anti-dumping measures, and up to £8m per year in case of the countervailing measures;
 - there could be disproportionate impacts on older people and people suffering from mobility issues; and
 - the duties would cause higher prices which would likely reduce demand for e-bikes and increase the use of cars leading to negative health and environmental impacts.⁸
8. The TRA also rightly concluded that if the measures were to apply to folding e-bikes only, even then the negative impacts of the measures would be disproportionate to the benefits.
9. Thus, as the UK has a limited production capacity for e-bikes, and the domestic e-bike producers alone cannot meet the growing domestic demand in quality and quantity terms, the extension of the anti-dumping and countervailing measures will result in

⁶ AD SEF, para. 69; AS SEF, para. 69.

⁷ AD SEF, paras. 73 and 288; AS SEF, paras. 73 and 329.

⁸ AD SEF, para. 313; AS SEF, para. 354.

disproportionately negative effects on the UK consumers who are already facing the rising costs of living due to the cost-of-living crisis.⁹

10. Thus, the CCCME concurs with the TRA that the negative impacts of extending the measures would far exceed any possible positive benefits.¹⁰ Indeed, there are no scenarios under which the welfare impacts for the UK would be a net positive, even with the change in coverage of the existing measures.¹¹ Therefore, the CCCME welcomes the TRA's finding that the termination of the measures is in the economic interest of the UK.¹²
11. The CCCME would like to thank the TRA for the consideration of the CCCME's comments and reiterates its appreciation for all the efforts made by the TRA throughout these transition reviews.

⁹ See: AD SEF, para. 71; AS SEF, para. 71.

¹⁰ AD SEF, para. 314; AS SEF, para. 355.

¹¹ AD SEF, paras. 316 and 321; AS SEF, paras. 357 and 362.

¹² AD SEF, para. 317; AS SEF, para. 358.