
**COMMENTS IN THE UK TRANSITION REVIEW OF ANTI-DUMPING DUTIES
ON CERTAIN CERAMIC TILE PRODUCTS ORIGINATING IN THE PEOPLE'S
REPUBLIC OF CHINA**

(TD0027)

**ON BEHALF OF
CHINA CHAMBER OF COMMERCE OF METALS, MINERALS & CHEMICALS
IMPORTERS & EXPORTERS**

(CCCMC)

Dentons Europe LLP
Zhong Lun Law Firm

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I. INTRODUCTION

- [1] On 22 September 2022, a notice of initiation of a transition review of the anti-dumping duties on certain ceramic tiles originating in the People’s Republic of China was published by the UK Trade Remedies Authority (“TRA”).
- [2] The UK transition review is related to the existing anti-dumping measures adopted in the European Union (“EU”). Subsequent to the UK’s withdrawal from the EU, the UK Secretary of State periodically publishes determination notices¹, authorizing the UK Trade Remedies Authority to conduct transition reviews to determine if the existing EU trade remedy measures should be maintained, varied or revoked in the UK. A UK transition review considers whether the application of the EU anti-dumping amount is necessary or sufficient to offset dumping of the relevant goods in the UK market, and whether injury to the UK industry in the relevant goods would occur if the anti-dumping amount were no longer applied to those goods.
- [3] On 20 July 2023, the TRA published the Note to Public File (“Note”), presenting its preliminary understanding of the goods subject to review and scope of the transitioned measure, and seeking to consult and invite comments to crystallise the evidence base, from both of those registered and unregistered to Transition Review No. TD0027.
- [4] This submission is made by the China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (“CCCMC”), on behalf of its members. CCCMC is a nationwide and industrial non-profit social organization formed voluntarily by Chinese entities engaged in economic activities as regards to metals, minerals and related products, non-metallic minerals and related products, hardware products, building materials products, petroleum and related products, chemical raw materials and related products, as well as the upstream and downstream industrial chains in the above-mentioned fields. CCCMC organizes members in responding to anti-dumping, countervailing and safeguard investigations initiated by foreign jurisdictions.
- [5] First and foremost, CCCMC wishes to begin this submission by extending its sincere gratitude and appreciation to the TRA for their efforts and dedication. CCCMC then moves to present its comments on the TRA’s current findings about the likelihood of injury (in

¹ It is noted that the determination notice for transitioning the EU measure imposed on these specific goods has been published. See Notice of determination 2020/18: anti-dumping duty on ceramics tiles originating in the People’s Republic of China, Published on 31 December 2020, at <https://www.gov.uk/government/publications/trade-remedies-notices-anti-dumping-duty-on-ceramic-tiles-from-china/notice-of-determination-202018-anti-dumping-duty-on-ceramics-tiles-originating-in-the-peoples-republic-of-china>.

Section II). With regards to the scope of transitioned measure and proposed exclusion in this Note, CCCMC voices its perspective, proposes to remove porcelain tiles under HS Code 6907 21 from the product scope (in Section III) and seeks further elucidation on the current findings on single piece large format tiles (in Section IV).

II. COMMENTS ON TRA'S CURRENT UNDERSTANDING OF LIKELIHOOD OF INJURY

[6] The TRA has, albeit with more work to complete, made a general observation in the Note that there is *no* sufficient evidence to substantiate an assessment that injury to the UK industry is likely to recur should the measure be revoked. CCCMC agrees with the TRA and submits that there indeed is no evidence to buttress the alleged injury or the threat thereof. As presented in CCCMC's Initial Comments on Transition Review No. 0027, such likelihood of injury is further diminished by Chinese ever-so stringent environmental regulations imposed to serve for the Carbon Peaking and Carbon Neutrality goals, the production of ceramic tiles is thus bound to undergo reduction of drastic and lasting nature. CCCMC believes that TRA's current non-injury finding is authentically reflective of the reality that CCCMC and its members are informed of.

III. PROPOSAL FOR REMOVING ALL PORCELAIN TILES (HS CODE 6907 21) FROM SCOPE OF THE TRANSITIONED MEASURE

[7] As CCCMC has requested in its previous submissions, and would like to reiterate in this Comment, all porcelain tiles, i.e., tiles with water absorption rate of $\leq 0.5\%$, under commodity code 6907210000, should be excluded from the scope of the transitioned measure regardless of their dimensions. This exclusion request, by the same token as the proposed removal of single piece large format tiles, is grounded on the fact that there are no UK manufacturers of porcelain tiles, and porcelain tiles are neither physically nor economically interchangeable with the tiles of higher water absorption rates produced by UK producers.

[8] Consistent with CCCMC's position in questionnaire responses, comments on the Initiation of the Transition Review, and the meeting with the TRA in July 2023, CCCMC would like to expound on the significant distinctions between porcelain tiles and other subject goods in terms of physical properties. The key attribute of porcelain tiles lies in their remarkably low water absorption rate, thus heightened density, which results from a higher degree of vitrification, leading to enhanced brick body strength, superior wear resistance, and

exceptional durability. Moreover, these porcelain tiles can find versatile application in exterior walls and flooring, including façades, heavy duty traffic areas in commercial and public spaces, and outdoor environments in colder climates. These unique characteristics render them irreplaceable by other higher water absorption rate ceramics produced in the UK, regardless of their dimensions. Even in scenarios where ceramic tiles might serve as substitutes for interior wall decorations in residential settings, numerous factors, such as weight, aesthetic appeal and cost-effectiveness come into play; therefore, the practical feasibility of direct interchangeability between these two options is considerably limited.

[9] Also, CCCMC would like to add that, since all porcelain tiles are classified under a specific 6-digit HS code based on water absorption rate, i.e. 6907 21, the UK Customs would be able to distinguish them from other imported tiles without any confusion or practical difficulty.

IV. COMMENTS ON PROPOSED EXCLUSION OF SINGLE PIECE LARGE FORMAT TILES

[10] Concerning the scope of the subject goods, the TRA proposes to remove single piece large format tiles from the scope of the transitioned measure in commodity codes 6907210000, 6907220000 and 6907230000. CCCMC understands that this proposal for removal is based on lack of evidence supporting UK domestic production and sale. CCCMC appreciates and concurs with this proposal, but wishes the TRA to provide further clarification on the definition of single piece large format tiles.

[11] The definition provided in this Note describes single piece large format tiles as those ‘exceeding 600mm by 600mm in dimensions *or* exceeding 0.36m² in total area’. CCCMC kindly requests the TRA to elucidate whether the conjunction “or” indicates alternative criterion, where meeting either condition suffices, or if it denotes cumulative fulfilment of both requirements. For instance, in the case of tiles with dimensions of 900mm by 450mm, the total area would be 0.405m², surpassing the 0.36m² threshold, even though both sides do not individually exceed 600mm. We seek clarification from the TRA to determine whether such tiles should be considered “single piece large format tiles” that are proposed to be excluded from the scope of the measure.

[12] Following the proposed exclusion of single piece large format tiles by the TRA, CCCMC further proposes that even though certain products suffice neither of the aforementioned criteria, they would still fall into the ambit of single piece large format tiles and ought to

be excluded. For instance, tiles measuring 900mm by 200mm with a total area of 0.18m², though falling short of the 600mm by 600mm and 0.36m² criteria, are apparently understood as large format tiles according to the conventional practices of ceramic tile industry. In light of this, CCCMC proposes a revision to the description of excluded products, namely, single piece large format tiles, as follows: “any tile with one side exceeding 600mm in length, or exceeding 0.36m² in total area.” Incorporating this adjustment will ensure a more comprehensive and accurate classification of single piece large format tiles, contributing to the fairness and effectiveness of the ongoing investigation.

V. CONCLUDING REMARKS

[13] As consistently emphasized in our questionnaire responses, comments, and participation in hearings, we maintain our strong opposition to any possible dumping practices and leveraging unfair competition as means to gain market share. However, CCCMC also expresses reservations against employing trade defence, such as anti-dumping and countervailing measures, as instruments of trade protectionism. CCCMC believes that it is our shared goal to foster a collaborative relationship with the TRA and the UK government to uphold a market-oriented, fair and equitable trade environment. We firmly advocate for transparent trade practices that adhere to established international trade rules, and fostering a climate of mutual respect and cooperation among trading partners.

[14] CCCMC respectfully requests the TRA’s careful consideration of our comments and proposal, and would like to once again express its gratitude to the TRA for its dedicated efforts in conducting this review. CCCMC values the collaborative approach taken during this process, and eagerly looks forward to maintaining close and effective communication with the TRA.

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