



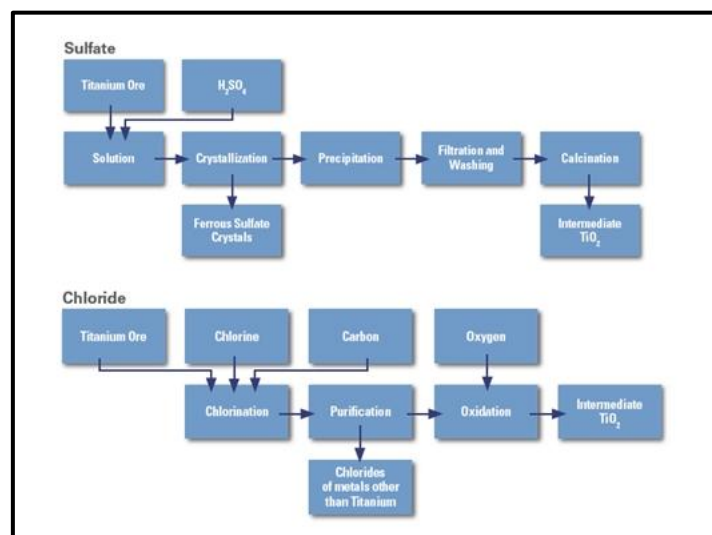
of the UK.<sup>4</sup> As regards the second point, BEL submits that including ink-grade TiO<sub>2</sub> within the scope of the investigation would not serve any purpose since there are no UK producers of ink-grade TiO<sub>2</sub> to protect; moreover, any duties on this type of TiO<sub>2</sub> would actively harm the interest of downstream players – ink producers – which the UK does have.

This submission is structured as follows. Section 2 provides a brief description of ink-grade TiO<sub>2</sub> and its key characteristics. Section 3 demonstrates that ink-grade TiO<sub>2</sub> is not 'like' standard rutile TiO<sub>2</sub>, when measured across all the relevant criteria. Section 4 establishes that imposing duties on ink-grade TiO<sub>2</sub> would be contrary to the UK's overall economic interest. In this section, BEL elaborates on its request for an exemption from duties for ink-grade TiO<sub>2</sub>. Section 5 concludes.

## 2. Brief Product Background

At the outset, BEL notes that TiO<sub>2</sub> is not a 'commodity product'. Rather, TiO<sub>2</sub> pigments are differentiated products, specifically engineered to function as per the customer's requirements or specifications. Developing such specialist TiO<sub>2</sub> pigments takes years of R&D and testing, extensive customer trials, as well as massive capital expenditure which is required to build production capabilities for such specialized TiO<sub>2</sub> pigments.

Within the broader category of the goods concerned, ink-grade TiO<sub>2</sub> is rutile TiO<sub>2</sub> produced *via* the sulphate manufacturing process, and optimised for a precise set of technical specifications, which makes it uniquely suitable for use in the printing inks industry.<sup>5</sup> BEL notes that not only Chinese, but also European producers like Kronos (making Kronos 2064 and Kronos 2066) and Venator (making Tioxide RFDO)<sup>6</sup> manufacture ink-grade TiO<sub>2</sub> using the sulphate method. While both the chloride and the sulphate process (see flow-chart below<sup>7</sup>) result in intermediate (uncoated) TiO<sub>2</sub> – also known as 'discharge' – this discharge must be further processed, since it contains agglomerated particles.



<sup>4</sup> See, Schedule 4, paragraph 25 of the Taxation (Cross-border Trade) Act 2018 ("the Act").

<sup>5</sup> See in this regard, Commission Implementing Regulation (EU) 2025/4 of 17 December 2024 imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of titanium dioxide originating in the People's Republic of China ("EU TiO<sub>2</sub> Definitive Regulation"), recital (498).

<sup>6</sup> Note that Tioxide RFDO was manufactured by Venator in Germany, but production at this site has now been discontinued.

<sup>7</sup> Valco, 'Titanium Dioxide-TiO<sub>2</sub> – Manufacturing process of Titanium Dioxide', available at: <<https://www.valcogroup-valves.com/faq-2/manufacturing-process-titanium-dioxide/>>.

This processing (also known as 'finishing') is required to mill or grind the agglomerated particles and disperse them to a suitable particle size, and to add chemicals (known as 'coatings': typically Si, Al, Zr, etc.) to the surface of those pigment particles. This enables the particles to function as a TiO<sub>2</sub> pigment *for a specific application*.

In other words, the finishing process directly influences the optical and physical properties of the pigments, such as dispersibility, dispersion stability, opacity, gloss, durability and photoactivity. Critically, such finishing treatment is tailored *to the specific requirements* of the particular application (*i.e.*, to meet the needs of the various market segments that use these pigments, such as inks, paints, plastics and paper). As a result, TiO<sub>2</sub> pigments tailored for a specific end-use are not easily interchangeable with other pigments; moreover, their performance in these applications is subject to tight parameter controls.

"Ink-grade" TiO<sub>2</sub> is therefore a term of art in the industry; it is not merely a marketing label. The term identifies a *distinct category* of TiO<sub>2</sub>, which is delineated (within the larger product group) by measurable technical properties, which materially differ from those of standard rutile TiO<sub>2</sub>. This is not a matter of degree. As will be further detailed below, standard rutile TiO<sub>2</sub> *structurally* cannot meet the technical and functional specifications that define ink-grade TiO<sub>2</sub>.

This distinction is perhaps best illustrated by reference to a specific ink-grade TiO<sub>2</sub> product, namely LB Group's BILLIONS™ TR52 ("TR52").<sup>8</sup> TR52 is a specialist rutile TiO<sub>2</sub> pigment developed specifically for use in the high-quality printing inks market. It was originally developed in Europe by Huntsman (now Venator) and subsequently acquired by LB Group in 2014, and is manufactured using proprietary production processes, dedicated production lines, and specialized quality-control testing. In fact, divestment of Huntsman's ink-grade TiO<sub>2</sub> business was part of the commitments undertaken by Huntsman in 2014 to acquire Rockwood, since the European Commission (DG Competition) was concerned that the acquisition would reduce the already limited number of ink-grade TiO<sub>2</sub> producers on the EU market.<sup>9</sup> In itself, this is a recognition of the separate and specialized nature of the inks market.

TR52 is therefore not a standard rutile TiO<sub>2</sub> pigment that can be used across a range of applications. Rather, it is a product that has been specifically designed for inks, reflecting precise processing controls, finishing techniques, and technical know-how which is required to meet the stringent requirements of that market segment. An optimised crystal size, combined with carefully selected inorganic and organic surface treatments, makes TR52 particularly suitable for the pigmentation of high-quality white inks. TR52 is widely used in both solvent-based and water-based ink formulations, including for surface and reverse printing applications.

In this regard, BEL notes that technical specifications of ink-grade TiO<sub>2</sub> include: precisely optimised crystal size; low abrasivity; high gloss; high dispersion; high loading capacity (up to 50% in ink-grade TiO<sub>2</sub> compared to about 15% in coating-grades TiO<sub>2</sub>); and high opacity.

Low abrasivity is an essential property of ink-grade TiO<sub>2</sub>. This property ensures that ink manufactured using such pigments do not cause excessive wear and tear to the printing equipment, the replacement

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<sup>8</sup> See, Annex I: LB Group's TR52 Brochure.

<sup>9</sup> See in general, European Commission, Case M.7061 – Huntsman Corporation/Equity Interests Held by Rockwood Holdings, 10.09.2014.

of which can be extremely expensive. Inks with high abrasivity are not commercially viable, since they lead to significant customer complaints and added costs for downstream users. This is not an issue faced by the coatings industry.

Achieving low abrasivity, moreover, requires the use of the sulphate manufacturing process, together with precise micronising and milling techniques. As a result, non-ink-grade TiO<sub>2</sub> pigments cannot be used in ink formulations. The importance of this property is further explained in LB Group's TR52 brochure (see Annex I to this submission).

As evidence of the technical distinctions between ink-grade and standard TiO<sub>2</sub>, BEL refers to the following data comparing different types of TiO<sub>2</sub> manufactured by producers around the world:

- As regards gloss:

**[redacted – commercially sensitive information]**

- Gloss versus opacity:

**[redacted – commercially sensitive information]**

The structural distinction between ink-grade TiO<sub>2</sub> and standard TiO<sub>2</sub> is further illustrated by the application thickness: [redacted – commercially sensitive information] µm in printing inks v/s >25 µm in coatings applications. This reflects a fundamentally different functional role that standard TiO<sub>2</sub> cannot fulfil. The unique balance of high dispersion and high opacity exhibited by ink-grade TiO<sub>2</sub> pigments such as TR52 can only be achieved through specialized processing controls and techniques. As a result, non-ink-grade TiO<sub>2</sub> pigments cannot be used in most ink formulations.

In the words of Jochen Winkler in *Titanium Dioxide: Production, Properties and Effective Usages* (2<sup>nd</sup> Edn.):

*"[A] number of sulfate pigment producers offer very well milled special grades of pigments for use in printing inks. Printing inks require high hiding even at low film thickness. On the other hand, a low abrasiveness is an important issue in order to avoid extensive wear of the printing rollers. In that sense, sulfate pigments seem to have a competitive edge".<sup>10</sup>*

The distinct and specialized nature of ink-grade TiO<sub>2</sub> has moreover been acknowledged by the EU. In the context of the EU investigation into the same product, the European Commission recognized that the performance of downstream TiO<sub>2</sub> products depends upon "*the type of TiO<sub>2</sub> [that is used] and whether the TiO<sub>2</sub> was produced via chloride process or the sulphate process*".<sup>11</sup> The Commission also acknowledged that production of ink-grade TiO<sub>2</sub> requires "*a specific know-how to produc[e] it, mastered by only a limited number of producers*"<sup>12</sup>.

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<sup>10</sup> Jochen Winkler, *Titanium Dioxide: Production, Properties and Effective Usage* (European Coating Tech Files, 2013), page 75.

<sup>11</sup> EU TiO<sub>2</sub> Definitive Regulation, recital (75).

<sup>12</sup> Commission Implementing Regulation (EU) 2024/1923 of 10 July 2024 Provisional Regulation 2024/1923, 10 July 2024, imposing a provisional anti-dumping duty on imports of titanium dioxide originating in the People's Republic of China ("EU TiO<sub>2</sub> Provisional Regulation"), recital (57)

### 3. Ink-Grade TiO<sub>2</sub> Is Not 'Like' Standard TiO<sub>2</sub>

Ink-grade TiO<sub>2</sub> is a unique product, distinct and distinguishable from other types of TiO<sub>2</sub>. In legal terms, it is not 'like' any other type of TiO<sub>2</sub>. The TRA's assessment of whether goods are 'like' is a multi-criteria consideration. As the TRA confirmed in *Suspension Poly(vinyl chloride) from United States of America*:

*"In assessing whether the goods [are "like"], the TRA has considered:*

- *physical likeness, including physical characteristics*
- *commercial likeness, including competition and distribution channels*
- *functional likeness, including end-use or interchangeability of the goods*
- *similarities in production, including method of production and inputs*
- *other relevant characteristics.*"<sup>13</sup>

BEL will show below that ink-grade TiO<sub>2</sub> is a distinct product across all relevant considerations.

#### 3.1 Absence of Physical Likeness

The physical and technical characteristics of ink-grade TiO<sub>2</sub> differ materially from those of standard rutile TiO<sub>2</sub>. As mentioned above, ink-grade TiO<sub>2</sub> has a precisely optimised crystal size and surface treatment, which delivers low abrasivity, high gloss, high dispersion, high loading capacity, and high opacity in inks. Standard rutile TiO<sub>2</sub> does not possess these characteristics in ink formulations. As evidence, consider the following data comparing different types of TiO<sub>2</sub> manufactured by different TiO<sub>2</sub> producers:

- *As regards abrasivity:*

**[redacted – commercially sensitive information]**

- *As regards dispersion:*

**[redacted – commercially sensitive information]**

As also mentioned above, the application layer thickness of ink-grade TiO<sub>2</sub> is [redacted – commercially sensitive information] µm, as compared to approximately 25 µm for coatings-grade TiO<sub>2</sub>. This is not merely a difference in magnitude; these are essentially two different (types of) products. Moreover, as explained in the next sub-section, standard TiO<sub>2</sub> cannot meet ink-grade specifications, and therefore is not substitutable with ink-grade TiO<sub>2</sub>. As the TRA knows, the analysis of 'likeness' essentially boils down to an assessment of product substitutability on the (domestic) market.<sup>14</sup>

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<sup>13</sup> Trade Remedies Authority, Final determination: Case AD0049 – Dumping investigation into suspension poly(vinyl chloride) imported into the United Kingdom and originating in the United States of America (January 9, 2025), para. 67.

<sup>14</sup> See, for example, WTO Panel Report, *EC – Bed Linen (Article 21.5 – India)*, para. 6.176.

### 3.2 Absence of Functional Likeness and Substitutability

Physical distinctness leads to functional non-substitutability. In other words, the physical and technical properties described above allow ink-grade TiO<sub>2</sub> to serve a single, specialized, and non-interchangeable end-use – namely, the manufacture of printing inks. This end-use cannot be served by standard rutile TiO<sub>2</sub> without a fundamental degradation in the quality of the end-product.

At the outset, BEL notes that the Applicant has itself recognized that end-use differentiation can justify product exclusion. The Applicant has sought to exclude anatase TiO<sub>2</sub> from the scope of the present investigation on the basis of its "*specialty applications*" in the pharmaceutical, food, and cosmetics industries.<sup>15</sup> Thus, the Applicant itself acknowledged that a specialized end-use could justify the exclusion of a certain type of TiO<sub>2</sub>. The same logic applies with respect to ink-grade TiO<sub>2</sub>.

Indeed, the Applicant's own market assessment supports BEL's request. The Application confirms that TiO<sub>2</sub> demand in the UK is dominated by paints and coatings (accounting for 50-70% of the demand) and plastics (20–40% of the demand).<sup>16</sup> As per the Application, printing inks fall within the residual "*other applications*" category, which the Applicant describes as comprising of "*paper, rubber, ink, cosmetic and pharmaceutical applications*."<sup>17</sup> Within this already specialized category, printing inks therefore constitute an even more specialist sub-segment. In this regard, ink-grade TiO<sub>2</sub> represents a niche within a niche, and must be recognized as such by the TRA.

Therefore, contrary to the Applicant's assertion that rutile TiO<sub>2</sub> of all types is "*highly interchangeable*"<sup>18</sup> or "*substitutable*"<sup>19</sup>, ink-grade TiO<sub>2</sub> is a distinct and non-substitutable sub-type of the product under investigation. In this regard, the European Commission has found previously that "*graphic ink titanium dioxide is not fully substitutable with other types of titanium dioxide*"<sup>20</sup> and that "*graphic ink producers ... have limited possibilities to switch to other suppliers ... and the performance of graphic titanium dioxide in final products would affect customer perception*."<sup>21</sup> The Commission reached this conclusion on the basis of evidence submitted by Flint Group – a major printing inks producer; the evidence submitted showed that standard TiO<sub>2</sub> "*generally do[es] not reach satisfactory quality levels*" when used in ink formulations.<sup>22</sup> BEL notes that in the past, TRA has excluded products from the scope of an investigation on the ground that a specialized category thereof cannot satisfactorily be substituted with the standard-grade of that product – *inter alia*, since one of them does not work in a particular application.<sup>23</sup>

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<sup>15</sup> Trade Remedies Authority, Application: Case AD 0086 – Rutile Titanium Dioxide from China (February 2, 2026), page 7.

<sup>16</sup> Trade Remedies Authority, Application: Case AD 0086 – Rutile Titanium Dioxide from China (February 2, 2026), page 16.

<sup>17</sup> Trade Remedies Authority, Application: Case AD 0086 – Rutile Titanium Dioxide from China (February 2, 2026), page 17.

<sup>18</sup> Trade Remedies Authority, Application: Case AD 0086 – Rutile Titanium Dioxide from China (February 2, 2026), page 11.

<sup>19</sup> Trade Remedies Authority, Application: Case AD 0086 – Rutile Titanium Dioxide from China (February 2, 2026), page 10.

<sup>20</sup> EU TiO<sub>2</sub> Provisional Regulation, recital (59).

<sup>21</sup> EU TiO<sub>2</sub> Provisional Regulation, recital (58). See also, EU TiO<sub>2</sub> Definitive Regulation, recital (482).

<sup>22</sup> EU TiO<sub>2</sub> Provisional Regulation, recital (58).

<sup>23</sup> See the discussion on SAF versus biodiesel in: UK Trade Remedies Authority, Note to public file – proposal to revise scope: Case AD0058 – Dumping investigation into biodiesel imported into the United Kingdom from the People's Republic of China (August 14, 2024), page 3.

### 3.3 Absence of Likeness in Production Process and Know-How

As noted above in Section 2, commercially accepted ink-grade TiO<sub>2</sub> can be produced only using the sulphate manufacturing process. The Applicant has expressly confirmed in the Application that UK producers only use the chloride process.<sup>24</sup> The non-substitutability of chloride and sulphate process TiO<sub>2</sub> is further supported by evidence submitted in the EU investigation by AkzoNobel – a major TiO<sub>2</sub> user – which noted that if indeed the two process outputs were substitutable, *"the paints and coatings industry would have already made the switch to sulphate titanium dioxide to reduce production costs."*<sup>25</sup> The persistence of the chloride-process for TiO<sub>2</sub> manufacturing, despite higher cost, demonstrates that the two processes are not the same.

Moreover, the production of ink-grade TiO<sub>2</sub> requires not only the sulphate manufacturing process but also specialized technical know-how and highly specific production capabilities. In particular, the manufacture of ink-grade TiO<sub>2</sub> requires specific milling and micronising set-ups, which are capable of achieving the level of dispersion required for high-performance ink-grade pigments. Such configurations are not present on standard production lines and cannot be replicated without substantial modifications thereof.

The development – and eventual production – of specialist ink-grade TiO<sub>2</sub> is therefore a long-term, capital-intensive process. As an example, consider that the development of LB Group's TR52 grade began in 2000, but commercialization was only achieved in 2003. The production of ink-grade pigments requires not only sustained R&D investment, but also significant expenditure on specialized manufacturing equipment and dedicated production lines. This makes the development of ink-grade TiO<sub>2</sub> (like TR52) in the UK prohibitively expensive.

Indeed, even where the underlying know-how exists, replication is not always straightforward. Consider that when TR52 was produced by Huntsman (now Venator), it could only be manufactured on a single dedicated production line at the company's Calais (France) facility. Attempts to replicate production at the company's Scarlino (Italy) site failed. Similarly, Venator's specialist inks-grade pigment, called RDIS, was produced exclusively at its Pori site (Finland), but efforts to replicate production at other sites (following a disruption at the Pori plant) were unsuccessful. This required Venator to develop an altogether new ink-grade TiO<sub>2</sub>, which took about 3 years. Venator had the know-how, and therefore presumably chose not to spend the considerable investment required in micronizers/milling, or perhaps a retrofit of the production equipment was not possible. Even when Huntsman sold TR52 to LB Group, it took the latter almost 3 years before it could consistently produce TR52, since significant modifications to the production line were required.

In any event, these examples show that the production of ink-grade TiO<sub>2</sub> depends not merely on access to know-how, but on a combination of site-specific equipment, process integration, and technical expertise, which cannot be readily transferred or replicated. As a result, even if UK producers were theoretically able to adopt the sulphate process and acquire the requisite know-how, any transition to actual ink-grade TiO<sub>2</sub> production would take many years.

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<sup>24</sup> Trade Remedies Authority, Application: Case AD 0086 – Rutile Titanium Dioxide from China (February 2, 2026), page 10.

<sup>25</sup> EU TiO<sub>2</sub> Definitive Regulation, recital (59).

This constraint is further reinforced by environmental considerations. The sulphate process generates significant acidic and solid waste, and new investments in building such a manufacturing capability may face extensive regulatory challenges in the UK. LB Group notes that companies around the world are discontinuing the sulphate process of manufacturing TiO<sub>2</sub> on environmental grounds.<sup>26</sup>

Taken together, these factors confirm that UK producers do not currently possess – and cannot readily acquire within a reasonable timeframe – the capacity or capability to produce ink-grade TiO<sub>2</sub>.

Similar considerations have led the TRA to exclude products from the scope of an investigation. For example, in *Biodiesel from China*, the TRA revised the product scope of the investigation to exclude sustainable aviation fuel ("SAF"). The TRA drew its conclusion from "*different production processes*" between SAF and biodiesel fuels; "*different raw materials*" used in the production; and also "*limited interchangeability*" between SAF and biodiesel.<sup>27</sup>

### 3.4 Absence of Commercial Likeness

Ink-grade TiO<sub>2</sub> is also commercially distinct from standard rutile TiO<sub>2</sub>, as on the UK market. Since there is no domestic production of ink-grade TiO<sub>2</sub> in the UK, the product reaches UK users exclusively through imports. The customer base for ink-grade TiO<sub>2</sub> – namely, printing ink manufacturers – is a distinct group, separated from the primary downstream customers for standard rutile TiO<sub>2</sub>, *i.e.*, paint and coatings producers and plastics manufacturers. Ink-grade TiO<sub>2</sub> and standard rutile TiO<sub>2</sub> therefore do not compete for the same customers on the UK market. Accordingly, ink-grade TiO<sub>2</sub> is commercially distinct from TiO<sub>2</sub> manufactured by the UK industry.

## 4. Economic Interest Test

As the TRA knows, the economic interest test ("EIT") is governed by Schedule 4, paragraph 25 of the Act. Under the EIT, the TRA must assess whether the imposition of a measure is in the wider economic interest of the UK. This requires the TRA to weigh the benefits of a possible trade remedy measure, accruing to UK producers, as against the costs imposed on downstream industries and consumers. Where, as in the present case, there is no UK producer of the product at issue – and therefore, no producer interest to protect – and where duties would impose costs on UK users who have no domestic alternative, the EIT weighs in favor of exclusion.

### 4.1 No Benefit to UK Industry

There is no UK producer of ink-grade TiO<sub>2</sub> to protect *via* this investigation. The Applicant, Tronox Pigment UK Limited, exclusively operates a chloride manufacturing process and does not

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<sup>26</sup> For example, Sakai and ISK have announced their decision to end production in Japan in 2026 and 2027. See, for example, Anhui Union Titanium Group, ISK announced plans to restructure its inorganic chemicals business, 5 October 2024, available at: [https://en.union-tio2.com/news/news/isk\\_announced\\_plans\\_to\\_restructure\\_its\\_inorganic\\_chemicals\\_business.html](https://en.union-tio2.com/news/news/isk_announced_plans_to_restructure_its_inorganic_chemicals_business.html).

<sup>27</sup> Trade Remedies Authority, Note to public file – proposal to revise scope: Case AD0058 – Dumping investigation into biodiesel imported into the United Kingdom from the People's Republic of China (August 14, 2024). See also, UK Trade Remedies Authority, Final recommendation: Case TS0044 – Transition review of countervailing measures on Biodiesel originating in Argentina (April 22, 2025), para 16.

manufacture ink-grade TiO<sub>2</sub>.<sup>28</sup> No other UK producer of ink-grade TiO<sub>2</sub> has been identified in the Application. There is thus no identifiable UK producer interest to protect.

Excluding ink-grade TiO<sub>2</sub> is consistent with the TRA's finding in *Certain Excavators from China*, where it was found that the UK industry does not produce excavators within the XXXL segment (excavators with basic operating weight over 80 tonnes). This resulted in a Final Negative Determination, and no duties were imposed on this specific product.<sup>29</sup> Similarly, in *Aluminium Extrusions from China*, the TRA excluded aluminium extrusions with a maximum cross-sectional dimension "*greater than 310mm or a weight per metre greater than 14kg.*" The product exclusion was grounded in the fact that the UK industry did not produce the specific product type.<sup>30</sup>

## 4.2 Inability of UK Industry to Supply Ink-Grade TiO<sub>2</sub>

Unlike in the EU investigation, there are *no* UK producers that can supply the printing inks sector. In the EU investigation, the European Commission declined to exclude ink-grade TiO<sub>2</sub> from the scope of the investigation (though it did provide an end-use exemption), reasoning that "*[i]t was not demonstrated ... that the Union industry would not be able to supply in sufficient quantity the graphic industry.*"<sup>31</sup> This reasoning is however absent in the UK context, since the UK TiO<sub>2</sub> industry is unable to supply UK users.

## 4.3 Harm to UK Downstream Users

UK printing ink manufacturers rely entirely on imported ink-grade TiO<sub>2</sub>. The imposition of anti-dumping duties on ink-grade TiO<sub>2</sub> from China would therefore directly increase the input costs for these users, in the absence of any domestic alternative. This will reduce their competitiveness *vis-à-vis* foreign ink producers,<sup>32</sup> and risk a contraction in the UK printing inks sector – a segment of the economy that hosts several hundreds – and perhaps more than a thousand – of jobs.

Moreover, any reduction of LB Group's or LB Sichuan's supplies would force UK users to rely on an exceedingly limited number of alternatives. At present, there are only three other commercially available TiO<sub>2</sub> pigments designed specifically for the inks industry comparable to TR52 pigment.

Manufacturer	TiO <sub>2</sub> pigment	Manufacturing Location	Manufacturing process
Kronos	Kronos 2064*	Germany (EU)	Sulphate
	Kronos 2066		Sulphate
LB Group	TR52	China	Sulphate

<sup>28</sup> See, Trade Remedies Authority, Application: Case AD 0086 – Rutile Titanium Dioxide from China (February 2, 2026), page 12.

<sup>29</sup> Trade Remedies Authority, Notice of a final negative determination: Case AD0047 – Dumping investigation into certain excavators imported into the United Kingdom from the People's Republic of China (May 14, 2025), page 1.

<sup>30</sup> UK Trade Remedies Authority, Notice of a final negative determination: Case AD0012 – Dumping investigation into aluminium extrusions imported into the United Kingdom from the People's Republic of China (December 16, 2022), page 1.

<sup>31</sup> EU TiO<sub>2</sub> Provisional Regulation, recital (58).

<sup>32</sup> This is particularly so since EU printing ink manufacturers are exempt from anti-dumping duties on TiO<sub>2</sub> in the EU.

Venator	Tioxide RFDO**	Germany (EU)	Sulphate
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\* LB Group believes that Kronos 2064 and Kronos 2066 are effectively the same product. Kronos 2066 is the next generation of Kronos 2064.

\*\* Currently not being produced.

Within Europe, supply is therefore effectively concentrated in a single producer, Kronos, on account of the discontinuation of production in Venator's German plant, in 2025.

As a result, the imposition of anti-dumping duties on TiO<sub>2</sub> imports from China could create a situation of *de facto* monopoly and extreme supplier dependence, with Kronos effectively becoming the only reliable source of supply for UK ink manufacturers. This would not only expose UK users to significant supply risk, but would also reduce competitive pressure in the TiO<sub>2</sub> market, with potential negative implications for pricing. In a market already characterized by limited production and capacity, such concentration risks materially weakening the position of UK ink manufacturers and exacerbating the adverse effects of the measure on downstream users.

#### 4.4 Request for an End-Use Exemption

Should the TRA not grant BEL's request for the *a priori* exclusion of ink-grade TiO<sub>2</sub> from the scope of the investigation, the UK should adopt an end-use ('authorized use') exemption for this product, to ensure that anti-dumping duties do not apply to imports of TiO<sub>2</sub> which will be used in the production of printing inks in the UK.

In this regard, BEL notes that while the European Commission ultimately did not grant a product exclusion to ink-grade TiO<sub>2</sub>, it nevertheless recognized that ink-grade TiO<sub>2</sub> serves a distinct market segment. Specifically, Article 2 of the EU TiO<sub>2</sub> Definitive Regulation grants an 'end-use exemption', from anti-dumping duties (imposed via Article 1) for imported TiO<sub>2</sub>, used in the production of white graphic inks.<sup>33</sup> The Commission granted this exemption on the ground that doing so "*is in the interest of the [European] Union*".<sup>34</sup> In BEL's view, this exemption is an implicit recognition of the fact that even if ink-grade TiO<sub>2</sub> is formally considered a part of the product scope, it warrants differentiated (tariff) treatment, on account of its use in specialized applications and the needs of the downstream (user) industry.

The end-use exemption in the EU investigation was implemented through the EU's customs procedures – in particular, Article 254 of 'Union Customs Code'.<sup>35</sup> BEL submits that a similar outcome is available in the UK, based on a functionally similar mechanism. The UK's customs framework – in particular, the Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020 – provides a framework by which such an end-use exemption (known in UK parlance as 'authorized use') may be implemented.<sup>36</sup> This relief can be administered by HM Revenue & Customs.

<sup>33</sup> See, EU TiO<sub>2</sub> Definitive Regulation, Article 2 and Section 7.3.5.

<sup>34</sup> EU TiO<sub>2</sub> Provisional Regulation, recital (494).

<sup>35</sup> Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code, 9 October 2013, L 269/1.

<sup>36</sup> See, Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020, Part 7, Regulation 20 ('Authorized use'). See further, HM Revenue & Customs, 'Special procedure: authorized use (end-use)', available at: <<https://www.gov.uk/guidance/authorised-use-end-use/authorised-use>>.

## 5. Conclusion

For the foregoing reasons, BEL requests the TRA to exclude ink-grade TiO<sub>2</sub> from the scope of investigation AD0086, pursuant to Regulations 41(3) and 41(4) of the Regulations, on the basis that:

1. Ink-grade TiO<sub>2</sub> is physically, functionally and commercially 'unlike' standard rutile TiO<sub>2</sub>; and
2. Imposing duties on ink-grade TiO<sub>2</sub> manufacturing will be contrary to the UK's overall economic interest, given the absence of any UK producer of ink-grade TiO<sub>2</sub> and the financial costs that such duties would add to UK downstream users in the printing inks sector.

BEL proposes the following amendment to the goods description for AD0086:

*"Rutile titanium oxides in pigments and preparations based on rutile titanium dioxide, containing a minimum of 80% by weight of titanium dioxide calculated on the dry matter and having all types of particle sizes, classified under Chemical Abstracts Service Registry Numbers 12065-65-5 and 13463-67-7, excluding ink-grade titanium dioxide, being rutile titanium dioxide produced via the sulphate process and optimised for use in the printing inks industry."*

Alternatively, BEL requests that the UK provide for an end-use exemption to ink-grade TiO<sub>2</sub>, to be administered through the UK's 'authorized use' customs framework, such that anti-dumping duties do not apply where this product is used in the production of printing inks in the UK.

BEL thanks the TRA for its consideration of the above and remains available to provide any further information or clarification that may be required.

Best regards,

[redacted – contains personal information]

[redacted – contains personal information]

[redacted – contains personal information]