

From: []

Sent: 17 April 2026

To: Trade Remedies Authority – AD0087 case team

<AD0087@traderemedies.gov.uk>

Subject: AD0087 – Comments on the Provisional Choice of Appropriate Representative Third Country

Dear Madam or Sir,

Our client: *Huaxing Group (Comprising GUANGDONG HUAXING GLASS CO., LTD.; FOSHAN HUAXING GLASS CO., LTD.; and FOSHAN CITY SAN SHUI HUA XING GLASS CO., LTD.)*

Comments on the Provisional Choice of Appropriate Representative Third Country

Open version

We refer to the anti-dumping investigation into glass containers originating in the People's Republic of China (PRC) (case no. AD0087).

On 10 April 2026, the Trade Remedies Authority (TRA) issued the Note of Proposed Appropriate Representative Third Country and provisionally chosen Brazil as the appropriate representative third country in this investigation.

Our client, Huaxing Group (comprising GUANGDONG HUAXING GLASS CO., LTD.; FOSHAN HUAXING GLASS CO., LTD.; and FOSHAN CITY SAN SHUI HUA XING GLASS CO., LTD.), hereby provides its comments on the provisional choice of appropriate representative third country. Huaxing Group holds the view that India is the most appropriate representative third country for this investigation, based on the following reasons:

1. The fundamental shortcomings of Brazil as a representative third country

a) Brazil's economy and cost of factors of production are significantly incomparable with those of China

Brazil is highly dependent on imported raw materials, with prices 30%-80% higher than those in China and India, and is therefore not representative of the market.

Soda ash is a key raw material in the production of household glass, accounting for 15-20% of production costs. Brazil has limited domestic soda ash production capacity and relies on imports for over 90% of its supply. Spot import prices for

2024-2025 are expected to be approximately 260-300 USD per tonne. Although the unit price is relatively low, it is highly susceptible to fluctuations in US tariffs, sea freight rates and exchange rates. Combined with the import cost pressures mentioned by the Central Bank of Brazil, actual procurement costs fluctuate significantly, and the supply chain is unstable, making it impossible to establish a consistent cost benchmark.¹

Quartz sand accounts for 60-70% of the raw materials used in glass production, directly affecting product quality and costs. Although Brazil has abundant quartz sand resources, the production areas are located far from the domestic glass manufacturing facilities, resulting in high logistics costs. In 2024, the average import price far exceeded domestic prices in India. Furthermore, due to domestic logistics policies and trade barriers, procurement costs are unpredictable, representing a significant divergence from the raw material sourcing models of Chinese domestic glass manufacturers.²

Regarding the auxiliary raw materials (such as dolomite and limestone), although Brazil has ample reserves of them, high logistics costs and a high degree of reliance on imports, compounded by the impact of trade policies, mean that cost control is far less manageable than in India.³

The glass industry is highly energy-intensive with energy accounting for 35% to 45% of production costs. Industrial natural gas prices in Brazil are 2.5 to 3 times those in China, and electricity costs are 40% to 60% higher than in China. Under these circumstances, choosing Brazil as the representative third country would result in the normal value being inflated by more than 50%.

Industrial natural gas prices in Brazil range from approximately 19.66 to 24.67 BRL/MMBtu⁴. Due to the impact of US trade policies, there is a high degree of uncertainty in the energy supply chain, and domestic inflation and exchange rate fluctuations in Brazil have led to significant volatility in actual energy costs, making it impossible to use these figures as a reliable reference for stable costs.

b) Brazil's glass packaging industry structure differs significantly from that of China

Glass packaging production capacity in Brazil is highly concentrated (with 3-5 companies dominating the market), operating rates are below 60%, and small and medium-sized enterprises have barely survived. This situation contrasts sharply

¹ Source: Brazilian Customs import data, International Soda Ash Association (ISA) Q1 2025 report, links: <https://www.receita.fazenda.gov.br/acesoainformacao/dadosabertos>
<https://www.isa.cc/statistics/>

² Source: 2024 report by the Brazilian Ministry of Mines and Energy, Brazilian Customs import data, links: <https://www.gov.br/receitafederal/pt-br>
<https://www.receita.fazenda.gov.br/acesoainformacao/dadosabertos>

³ Source: 2024 report by the Brazilian Ministry of Mines and Energy, link: <https://www.gov.br/mme/pt-br>

⁴ Source: Petrobras 2024 Energy Report, link: <https://www.investidorpetrobras.com.br/apresentacoes-relatorios-e-eventos/relatorios-anuais/>

with China, where the industry is fully competitive, comprises thousands of companies and maintains high operating rates.

Brazil's household glass container industry suffers from three key shortcomings, rendering it entirely unsuitable as a representative third country:

Firstly, the product portfolio is mismatched: the industry focuses on low-end, high-capacity beverage bottles, which differ vastly from the high-end household glass products – such as narrow-neck bottles and sealed jars for food, personal care and pharmaceutical use – exported by China to the UK. There is no comparability between the two product ranges;

Secondly, the market environment is highly unstable: the sector is severely affected by US trade policies. A survey conducted by the Central Bank of Brazil in June 2025 revealed that 78.1% of non-financial enterprises attributed operational instability to US tariff measures, while 27.8% faced rising costs for imported raw materials⁵. As a result, industry operations are fraught with uncertainty, and cost data cannot serve as a reliable benchmark;

Thirdly, data transparency is entirely lacking: Brazil's household glassware business is largely dependent on the Latin American divisions of large multinational glass groups, there are no listed companies specialising in household glass containers, and core cost, pricing and profit data are not publicly disclosed. Consequently, it is impossible to obtain effective benchmark data for anti-dumping investigations.

Brazil imports large quantities of glass containers, with domestic production capacity in decline. Consequently, it is not representative in terms of large-scale commercial production of similar products.

In 2024, Brazil's household glass container market generated revenue of approximately USD 1.28 billion. Growth in the sector has been sluggish, and expansion has stalled due to the combined impact of weak domestic consumption and external trade policy shocks, with several companies putting their capacity expansion plans on hold. Leading multinational companies have successively put their local investment plans on hold. Ardagh Glass Packaging has indefinitely suspended the construction project for its container glass manufacturing plant in Juiz de Fora, Brazil, with the capacity originally scheduled to come on stream in 2024 now completely shelved⁶. This reflects the weak demand in Brazil's consumer glass market and the gloomy investment prospects.

c) The availability and transparency of Brazil's data are extremely poor

⁵ Source: Central Bank of Brazil survey report, June 2025, link: <https://www.bcb.gov.br/publicacoes/relatorios/impacto-politicas-comerciais-eua>

⁶ Source: Ardagh Group's 2024 Quarterly Announcement, link: <https://www.ardaghgroup.com/investors/results-reports>

Financial, cost and energy consumption data of Brazil's glass industry are not publicly available. TRA can only rely on non-public, unverifiable data submitted by oligopolistic companies, which are easily manipulated.

Brazil's household glass container industry is highly concentrated, being dominated by subsidiaries of multinational groups and a small number of domestic unlisted companies. There are no independent, listed domestic companies specialising in household glass containers, and key operational data, cost structures and pricing mechanisms are not disclosed. As a result, the industry as a whole suffers from extremely low transparency, failing to meet the core requirement of data verifiability for anti-dumping investigations. The specific situation regarding individual companies is as follows:

- Saint-Gobain Vidros: a Brazilian subsidiary of the French Saint-Gobain Group, whose business covers architectural glass, daily-use packaging glass, and automotive glass. Household glass container is only a niche segment, and the revenue, costs, and profit data of this segment have not been disclosed separately. Instead, they are only consolidated into the Group's Latin American operations, making it impossible to split and extract valid comparative data.⁷
- Owens Illinois (Brazilian division): A subsidiary of the O-I Group, a global leader in glass packaging, specialising in large-capacity bottles for beer and soft drinks. The company has a narrow product portfolio and is an unlisted independent entity. It discloses only the Group's consolidated financial statements, and data on its consumer glass business in Brazil is entirely untransparent.⁸
- CIV (Cristaleria do Vale): A medium-sized Brazilian company specialising in low-end glassware for household use. As a privately held entity, it does not publish financial statements, and there are no official disclosures regarding its production capacity or cost data.
- Nadir Figueiredo: Specialises in household glassware with household containers accounting for less than 30% of its glass products. As a non-listed company, key operational data is unavailable, and it is of very limited representativeness within the industry.

Brazil's currency is subject to significant volatility and high inflation (averaging over 10% annually from 2023 to 2025), accompanied by a substantial lag in cost data and poor comparability. Due to the impact of US trade policy, Brazil's business performance figures have fluctuated significantly and are not

⁷ Source: Saint-Gobain Group's Interim Operating Results Report for the first half of 2024, link: <https://www.saint-gobain.com/en/finance/financial-results>

⁸ Source: O-I Group 2024 Annual Report, link: <https://investor.oi.com/financial-reports/annual-reports>

representative of normal market conditions.⁹

2. The full justification and comparability of India as a representative third country

a) India's level of economic development and factor costs are highly comparable to those of China

India's stage of industrialisation, labour costs and manufacturing structure are very similar to those of China, making it a far more comparable case than Brazil. India, like China, is a populous nation, an emerging industrial power and a major producer and exporter of glass, with a highly competitive market.

India has sufficient domestic soda ash production capacity and is a net exporter of soda ash, with the market dominated by enterprises such as Tata Chemicals and GHCL. The domestic spot price of soda ash in India was approximately 425-426 USD per tonne in 2024-2025, featuring stable prices and independent supply that is unaffected by import restrictions and tariffs. Indian glass manufacturers have well-established long-term procurement agreements, resulting in minimal cost fluctuations.¹⁰

The Indian states of Rajasthan and Gujarat possess abundant reserves of high-quality quartz sand, with ample local supply. In 2024-2025, the ex-works price is expected to be approximately 800-1,200 rupees per tonne. Glass manufacturers source the material locally, resulting in low transport costs and stable procurement prices.¹¹

India has abundant reserves of auxiliary raw materials (dolomite and limestone), with local procurement prices ranging around 80-160 USD per tonne and a stable supply.¹² Industrial natural gas prices in India stand at approximately 15-20 USD per MMBtu. Although higher than in Brazil, supplies are stable and the government regulates energy prices for the manufacturing sector in a standardised manner, ensuring there are no significant fluctuations, which allows businesses to calculate their costs with precision.¹³

⁹ Source: Central Bank of Brazil survey report, June 2025, link:
<https://www.bcb.gov.br/publicacoes/relatorios/impacto-politicas-comerciais-eua>

¹⁰ Source: Tata Chemicals Financial results for the 2024-2025 financial year, spot prices from the Indian Commodity Exchange. Links:
<https://www.tatachemicals.com/investors/financial-reports>
<https://www.mcxindia.com/>

¹¹ Source: Ministry of Mines and Mineral Resources of India, 2024 Annual Report; HNG Financial Report, Raw Materials Procurement Breakdown. Link:
<https://www.mnre.gov.in/reports-publications>

¹² Source: Sejal Glass's financial report for the 2024-2025 financial year, Haldyn Glass's financial report, links:
<https://www.bseindia.com/stock-share-price/sejal-glass-ltd/sejal/533292>
<https://www.bseindia.com/stock-share-price/haldyn-glass-ltd/haldynglass/540954>

¹³ Source: Ministry of Petroleum and Natural Gas, India, Energy Price Notification 2024-2025, link:
<https://www.investidorpetrobras.com.br/apresentacoes-relatorios-e-eventos/relatorios-anuais/>

b) India's glass packaging industry is comparable to China's in various respects

India's household glass container industry is a key growth driver in the global household glass sector. It closely aligns with China's household glass industry in terms of industrial structure, product types and consumption scenarios. The market is projected to reach USD 6.8 billion by 2025, with a forecasted compound annual growth rate (CAGR) of 4.15% between 2025 and 2033. The sector possesses ample production capacity and offers a comprehensive range of household glass bottles, covering all application scenarios including food, beverages, personal care, pharmaceuticals and condiments, which aligns closely with Huaxing Group's exports to the UK.

India has a well-established production network for household glass containers, with core production areas concentrated in Gujarat and Maharashtra. These regions overlap with the country's key production areas for soda ash and quartz sand, resulting in extremely low raw material transport costs. Industry capacity is dominated by household glass bottles, with a product range covering all categories from high-end to low-end. Food-grade and household chemical-grade glass bottles account for over 75% of the total¹⁴, which is fully aligned with the product structure, production processes and quality standards of Chinese exports of household glass bottles to the UK, meaning there is no issue of product misalignment.

Indian household glass enterprises generally employ mature kiln production processes, with capacity utilisation rates stable at 75%-85%¹⁵. The industry maintains a balance between supply and demand, with no price distortions caused by overcapacity or shortages. The pricing mechanism is fully market-driven, meeting the requirements for calculating normal market value in anti-dumping investigations.

India has a complete industrial chain for household glass containers, with a cost structure that is converging with that of China. India has a high self-sufficiency rate for soda ash, quartz sand and cullet, with market-based pricing. Natural gas and electricity prices in India are within the same range as those in China, and the proportion of energy costs is entirely comparable. The cost structures and levels for labour, manufacturing, logistics and environmental protection in India are highly similar to those in China.

India has a complete industrial chain for household glass containers, with a cost structure that is converging with that of China. India has a high self-sufficiency

¹⁴ Source: HNG Financial Report for the 2024-2025 financial year, Sejal Glass Financial Report for the 2024-2025 financial year, links:

<https://www.nseindia.com/get-quote/equity?symbol=HNGGLASS&segment=EQ>

<https://www.bseindia.com/stock-share-price/hindusthan-national-glass-industries-ltd/hngglass/500106>

<https://www.bseindia.com/stock-share-price/sejal-glass-ltd/sejal/533292>

¹⁵ Source: AIS Financial Report for the 2024-2025 financial year, Haldyn Glass Financial Report for the 2024-2025 financial year, links:

<https://www.nseindia.com/get-quote/equity?symbol=AISGLASS&segment=EQ>

<https://www.bseindia.com/stock-share-price/haldyn-glass-ltd/haldynglass/540954>

rate for soda ash, quartz sand and cullet, with market-based pricing. Natural gas and electricity prices in India are within the same range as those in China, and the proportion of energy costs is entirely comparable. The cost structures and levels for labour, manufacturing, logistics and environmental protection in India are highly similar to those in China.

India's technology and processes for household glass containers are equivalent to those in China. Leading Indian manufacturers employ the same float glass process and automated row-and-column machine technology as their Chinese counterparts, with equipment sourced from the same origins (Germany/Italy). There are no significant differences between India and China in terms of energy consumption per unit, yield rates, or production efficiency.

c) Data on India's glass industry is publicly available, transparent and verifiable

There are several leading listed companies in India specialising in household glass containers, with core businesses focused on household glass bottles. These companies are highly representative of the industry and fully disclose their financial data. These leading companies are all listed on the National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE). They strictly comply with the requirements of the Securities and Exchange Board of India (SEBI) regarding the disclosure of quarterly and annual financial reports. Their data is public, complete and traceable, fully meeting the core requirements of anti-dumping investigations regarding data transparency and verifiability, making India an ideal choice as a representative third country. The key companies and their financial data are as follows:

- Hindusthan National Glass & Industries Limited (HNG): India's undisputed market leader in household glass containers, specialising in the production of household glass bottles for over 60 years. Its product range covers all categories, including food, personal care, pharmaceuticals and beverages, and the company is listed on the NSE and BSE. The financial results for the third quarter of the 2024-2025 financial year show net sales of 41.208 billion rupees, with the household glass container business accounting for over 90% of the total. The company discloses key indicators for this segment separately, including raw material costs, energy costs and capacity utilisation, ensuring a high level of data completeness.¹⁶
- Asahi India Glass Limited (AIS): A leading integrated glass manufacturer in India listed on the NSE, with household glass containers as one of its core business segments. The financial report for the 2024-2025 financial year provides a comprehensive breakdown of revenue, costs and production capacity for the household glass segment. Its business structure closely mirrors

¹⁶ Source: HNG Financial Report for the 2024-2025 financial year, links:
<https://www.nseindia.com/get-quote/equity?symbol=HNGGLASS&segment=EQ>
<https://www.bseindia.com/stock-share-price/hindusthan-national-glass-industries-ltd/hngglass/500106>

that of Chinese household glass manufacturers. Additionally, the company is involved in the export of high-end household glass bottles, which aligns with demand in the UK market.¹⁷

- Sejal Glass: Specialising in the production of small and medium-sized household glass containers, listed on the BSE. For the 2024-2025 financial year, the company reported total revenue of 6,789.65 million rupees and a net profit of 378.5 million rupees. Its main products are food packaging bottles and condiment bottles, which closely overlap with Chinese exports of household glass bottles to the UK, making the data highly relevant.¹⁸
- Haldyn Glass Limited: A company listed on the BSE, specialising in pharmaceutical and food-grade household glass bottles. Its products comply with EU quality standards. For the 2024-2025 financial year, the company has fully disclosed key data including production costs, raw material procurement prices and sales pricing, making it a highly representative player in the industry.¹⁹

In summary, Brazil is not an appropriate representative third country for this investigation. The industry products in Brazil are not matched with the product under this investigation, key data is missing, and the market environments is volatile, resulting Brazil fails to meet the requirements of data availability, comparability and stability as an appropriate representative third country. India is the most appropriate country for this investigation. Its household glass container industry is highly comparable with that of China, with publicly listed companies having transparent data and stable cost structures, fully complying with the anti-dumping investigation rules of UK and the WTO. Choosing India as the representative third country can objectively and fairly reflect the normal value of the product under investigation.

On behalf of our client, Huaxing Group, we sincerely request that the TRA rectify the provisional choice of Brazil as the representative third country and designate India as the appropriate representative third country for this investigation.

Thank you for your consideration of these comments. Please let us know if you have any questions by contacting the undersigned.

Yours Sincerely,

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¹⁷ Source: AIS Financial Report for the 2024-2025 financial year, link: <https://www.nseindia.com/get-quote/equity?symbol=AISSGLASS&segment=EQ>

¹⁸ Source: Sejal Glass Financial Report for the 2024-2025 financial year, link: <https://www.bseindia.com/stock-share-price/sejal-glass-ltd/sejal/533292>

¹⁹ Source: Haldyn Glass Financial Report for the 2024-2025 financial year, link: <https://www.bseindia.com/stock-share-price/haldyn-glass-ltd/haldynglass/540954>