

TRANSITION REVIEW No.TD0013

Anti-dumping duties on certain aluminium road wheels originating in the People's Republic of China

Summary of change to Intended Final Recommendation

3 July 2023

This note is to summarise a change to the Intended Final Recommendation and invite interested parties, contributors or any other person who has supplied information to the Trade Remedies Authority (TRA) to comment on that proposed change.

Background

On 14 February 2023, the TRA published its Statement of Essential Facts (SEF), with the intended final recommendation of maintaining the measure on one-piece forged Aluminium Road Wheels (ARW) and revoking it on all other goods subject to review in the transition review.

In response to the SEF, the TRA received submissions from interested parties requesting clarification around the definition of unfinished ARW and presenting additional information regarding the multi-piece ARW. Following the receipt, analysis and consideration of these submissions together with further information and evidence sought by the TRA, which are all available on the [public file](#), we are minded to:

- A. Clarify that we intend to recommend that the duties should not apply to unmachined raw blanks.
- B. Change the Intended Final Recommendation to recommend that the measure be maintained on both one-piece forged and multi-piece ARW, including parts of ARW, and revoked on all other goods, including one-piece cast ARW.

Forged blanks

The TRA received enquiries from UK industry about the definition of the term “unfinished” in the description of the goods subject to review that we recommend should continue to be subject to the measure. Specifically, whether this description includes raw forged blanks.

We define raw forged blanks as raw aluminium for the manufacture of ARW, that may or may not resemble an ARW or part of an ARW, that has not yet been subject to any machining process, such as turning, milling and drilling. We recognise that as part of the manufacturing process, a hole may be punched / stamped through the centre of a blank and some parts are sawn or cut from raw aluminium. We do not consider these ‘machining’ operations. Figures 1 and 2 below show the difference between a raw forged blank and a machined, unfinished ARW.



Figure 1: Forged ARW blank



Figure 2: Machined, unfinished ARW

Considering the relatively high proportion of ARW production costs involved in the machining process that takes place after the raw forged blank is produced, for the purposes of this transition review, we have determined that **unmachined raw forged blanks are not included within the term “unfinished” and are not recommended to be subject to the measure.**

For the avoidance of doubt, where we refer to ARW that are either finished or unfinished, we refer to all ARW that meet the description of forged or multi-piece ARW, that have been subject to machining procedures including milling, turning and drilling. Machining procedures exclude sawing/cutting and stamping/punching. Therefore, unmachined raw forged blanks do not fall within the definition of unfinished ARW.’

Multi-piece ARW

The submissions and supporting evidence we received in response to the published SEF were primarily concerned with the TRA's intention to exclude multi-piece ARW from the recommended measure.

Our finding on dumping applies to all ARW and therefore applies to multi-piece ARW and parts.

For the likelihood of injury assessment in our SEF, we had previously segregated the industry into participating and non-participating parties, whereby the participating industry was Rimstock Limited who only produce one-piece forged ARW. Following the receipt of submissions in response to the SEF, we have removed this segregation and consider the UK industry to include: one high volume UK producer of ARW producing one-piece forged ARW, and five lower volume producers of one-piece and multi-piece forged and cast ARW, based on engagement with this review and our own research from secondary sources. We accept there may be some small-scale ARW producers who have not engaged with this review.

The TRA considered submissions from 360 Wheels Limited and Image Wheels Limited, in addition to those considered our original findings. We concluded that on a balance of probabilities, it is more likely than not that the UK industry would be injured by dumped imports of multi-piece ARW from the PRC if the measure were revoked.

The conclusion that the measure is in the economic interest of the UK is unchanged if the measure were to be maintained on multi-piece ARW.

For this reason, **we intend to recommend that the measure be maintained on multi-piece ARW.**

Parts of ARW

After consideration of the goods and industry, we concluded that revocation of the measure on parts of ARW, whether cast or forged, poses a circumvention risk whereby parts of ARW could be imported at dumped prices and assembled into multi-piece ARW. This would be a change in trade pattern and the only economic justification for this would be to avoid the anti-dumping amount. This circumvention risk would then be more likely than not to cause injury to the domestic industry and for that reason **we intend to recommend that the measure be maintained on parts of ARW.**

In the case of parts of ARW, whether cast or forged, sawn bar, cut plate or flow-formed part, would all be considered unmachined raw blanks that are not intended to be subject to the measure. Parts that have been subject to any machining such as turning and milling, would be included in the definition "finished or unfinished" and therefore would be subject to the measure.

Intended Final Recommendation

Wording from the published SEF:

Our recommendation is to vary the application of the anti-dumping amount under regulation 100A of the Regulations in relation to one-piece wheels, produced by forging, whether finished or unfinished, whether or not with their accessories and whether or not fitted with tyres, and revoke the application of the anti-dumping amount in relation to wheels of aluminium, whether or not with their accessories and whether or not fitted with tyres; parts and accessories of wheels, of aluminium, under regulation 100B of the Regulations. The antidumping amount in relation to wheels of aluminium, whether or not with their accessories and whether or not fitted with tyres; parts and accessories of wheels, of aluminium, will be revoked from 26 January 2021 in accordance with regulations 100B(2), 94(1)(b)(ii) and 97C(1)(a) and (2) of the Regulations.

As it has not been possible to recalculate the anti-dumping amount, we recommend maintaining the anti-dumping amount in relation to one-piece aluminium road wheels, produced by forging, whether finished or unfinished, whether or not with their accessories and whether or not fitted with tyres, under regulation 100A(4)(b) of the Regulations for a period ending on 25 January 2026.

The application of the measure will be varied under regulation 100A of the Regulations in relation to ARW and parts and accessories thereof, which fall under the following UK commodity codes:

- 8708 70 10 15
- 8708 70 10 50
- 8708 70 50 15
- 8708 70 50 50

The description of goods falling under the commodity codes to which the measure will be maintained, are; one-piece aluminium road wheels, produced by forging, whether finished or unfinished, whether or not with their accessories and whether or not fitted with tyres.

The description of goods falling under the above commodity codes, to which the measure will be revoked, are; all other goods imported under the commodity codes.

Revised wording for our Intended Final Recommendation:

Our Intended Final Recommendation is to vary the application of the anti-dumping amount under regulation 100A of the Regulations in relation to aluminium road wheels machined from a forged blank or assembled from multiple pieces and machined parts, whether cast or forged, of aluminium road wheels; whether finished or unfinished, whether or not with their accessories and whether or not fitted with tyres, and to revoke the application of the anti-dumping amount in relation to all other goods falling under these commodity codes, under regulation 100B of the Regulations.

The TRA intends to recommend the appropriate date when the anti-dumping amount applicable to wheels of aluminium, whether or not with their accessories and whether or not fitted with tyres; parts and accessories of wheels, of aluminium, is revoked from 26 January 2022 in accordance with regulations 100B(2), 94(1)(b)(ii) and 97C(1)(a) and (2) of the Regulations.

As it has not been possible to recalculate the anti-dumping amount, we recommend maintaining the anti-dumping amount in relation to aluminium road wheels machined from a forged blank or assembled from multiple pieces and machined parts of aluminium road wheels, whether cast or forged; whether finished or unfinished, whether or not with their accessories and whether or not fitted with tyres, under regulation 100A(4)(b) of the Regulations for a five-year period ending on 25 January 2027.

The application of the measure will be varied under regulation 100A of the Regulations in relation to ARW and parts and accessories thereof, which fall under the following UK commodity codes:

- 8708 70 10 15
- 8708 70 10 50
- 8708 70 50 15
- 8708 70 50 50

The description of goods falling under the commodity codes to which the measure will be maintained, are: aluminium road wheels machined from a forged blank or assembled from multiple pieces whether finished or unfinished, whether or not with their accessories and whether or not fitted with tyres, and machined parts of aluminium road wheels whether finished or unfinished, whether or not with their accessories.

Where we refer to ARW that are either finished or unfinished, we refer to all ARW that meet the description of forged, multi-piece ARW or parts of ARW, that have been subject to machining procedures including milling, turning and drilling. Machining procedures exclude sawing/cutting and stamping/punching. Therefore,

unmachined raw blanks, whether forged or otherwise, do not fall within the definition of unfinished ARW.

The description of goods falling under the above commodity codes, to which the measure will be revoked, are; all other goods imported under the commodity codes.

Next Steps

This note should be read in conjunction with other documents available for this case on the [public file](#), where submissions from interested parties, contributors and any other person who has supplied information to the TRA in respect of this transition review can be found.

Interested parties, contributors and any other person who has supplied information to the TRA are invited to make submissions in response to this note within seven calendar days of its publication, i.e. by 23:59 BST on 10 July 2023. The TRA may consider submissions made after this date, provided that doing so would not significantly impede the progress of this transition review and/or where we consider it appropriate to accept the information. Where the TRA rejects information for any reason, we will publish our reasons for rejection in our Final Recommendation.

Registered interested parties and contributors to the case can make submissions on the Trade Remedies Service online platform (TRS). These submissions must be accompanied by a non-confidential version for the [public file](#). In exceptional circumstances it may not be possible to summarise confidential information. If this is the case, parties must provide a 'statement of reasons' to explain why summarisation of confidential information is not possible.

Those not registered on the TRS may send submissions by email to TD0013@traderemedies.gov.uk.

For further guidance and information regarding transition reviews, please see our [public guidance](#).