



Trade Remedies
Authority

Statement of Essential Facts

Case TD0027

Transition Review of anti-dumping measures applying to Ceramic Tiles originating in the People's Republic of China (PRC)

19 February 2024



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SECTION A: Introduction

1. This section briefly summarises the legal framework for this Statement of Essential Facts (SEF) and the Trade Remedies Authority (TRA)'s main findings. The background to the review (see also **Section C: Background**) and further detail on all aspects are explained more fully in the remaining sections.
2. This SEF sets out the essential facts on which we will base our recommendation. It should be read in conjunction with other public documents available for this case on the [public file](#). The purpose is to set out our intended final recommendation, provide interested parties with a summary of the facts considered during this review, and those facts which formed the basis of our intended final recommendation. Additionally, we inform interested parties who have supplied information how we have used that information during the review, provide details of the analysis forming the basis of the intended final recommendation, and allow interested parties to make submissions in response.
3. Interested parties are invited to make submissions within 21 calendar days of the publication date of this SEF, *i.e.*, before 23:59 hours Greenwich Mean Time on 11 March 2024¹. We may consider submissions made after this date, but please note that we are not obliged to do so if we believe it would cause an unnecessary delay in the preparation of the final recommendation. Where we reject information for any reason, we will publish our reasons for rejection in our final recommendation.
4. Registered interested parties to the case can make any submissions on the [Trade Remedies Service](#) (TRS) online platform. All submissions must be accompanied by a non-confidential version or summary for the [public file](#). In exceptional circumstances it may not be possible to summarise confidential information. If this is the case, you must provide a 'statement of reasons'². Those not registered on the TRS may send submissions by email to TD0027@traderemedies.gov.uk.
5. For further guidance and information regarding transition reviews please see our [public guidance](#).

¹ See regulation 62(2) of The Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (S.I. 2019/450) (as amended) ('the D&S Regs.' or 'the Regulations').

² See also regulation 45(6)(b) of the Regulations.



A1. Legal framework

6. This SEF is made pursuant to regulation 62(1) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (S.I. 2019/450) (as amended) (the Regulations).

It includes:

- the recommendation that the TRA intends to make;
- a summary of the facts considered during the transition review;
- those facts referred to in the summary which formed the basis of our intended final recommendation;
- details of the analysis forming the basis of the intended final recommendation; and
- details of how we have used the information supplied by interested parties in making the intended final recommendation.

A2. About this review

7. This is a transition review of a United Kingdom (UK) trade remedies measure under regulation 97(2)(b) of the Regulations. This UK measure gives effect to European Union (EU) Commission Implementing Regulation (EU) 2017/2179 of 22 November 2017³.
8. This review concerns an anti-dumping measure applying to certain ceramic tiles originating in the PRC. This review was initiated on 22 September 2022 and the [notice of initiation](#) (NOI) was published on that date.
9. The period of investigation (POI) for the review is 01 July 2021 to 30 June 2022. In order to assess injury, we have determined the injury period (IP) as being 01 July 2018 until 30 June 2022.

³ European Union (EU) Commission Implementing Regulation (EU) 2017/2179 of 22 November 2017 is available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32017R2179&from=EN>



SECTION B: Summary and findings

B1. Interested parties and contributors

10. The following interested parties registered to this transition review:

Table 1: Interested parties and contributors

Name	Abbreviation	Country	Category
Norcros Group (Holdings) Ltd. trading as Johnson Tiles	Johnson Tiles	UK	Producer
Original Style Ltd.	Original Style	UK	Producer
Shackerley (Holdings) Group Ltd.	Shackerley	UK	Importer
Distribution Supplies Ltd.	Distribution Supplies	UK	Importer
Brick Development Association	BDA	UK	Trade Body
British Ceramic Confederation Ltd.	BCC	UK	Trade Body
The Tile Association	N/A	UK	Trade Body
Guangdong Overland Ceramics Co., Ltd.	Overland	PRC	Exporter
Guangdong Jiamei Ceramics Co., Ltd	N/A	PRC	Exporter
Foshan Shiwan Yulong Ceramic Co., Ltd.	N/A	PRC	Exporter
Hangzhou Nabel China Co.Ltd	N/A	PRC	Exporter
Huida Sanitary Ware Co., Ltd	Huida	PRC	Exporter
Guangdong Huayanpinzhi New Material Co., Ltd.	N/A	PRC	Exporter
Foshan Wowland Building Material Co.,Ltd	N/A	PRC	Exporter
Tianjin Honghui Creative Technology Ltd.	N/A	PRC	Exporter
Fujian Nan'an Baoda Building Material Co., Ltd.	N/A	PRC	Producer
Monalisa Group Co., Ltd.	N/A	PRC	Producer
Guangdong Winto Ceramics Co., Ltd.	N/A	PRC	Producer
Foshan Sanshui Kito Ceramics Co.,Ltd.	N/A	PRC	Producer
Jingdezhen Kito Ceramic Co.,Ltd	N/A	PRC	Producer
Pingxiang Dacheng Ceramic Technology Co., Ltd.	N/A	PRC	Producer
Guangdong Xinruncheng Ceramics Co.,Ltd.	N/A	PRC	Producer
Guangdong Romantic Ceramics Co.,Ltd.	N/A	PRC	Producer
Qinyuan Gani Ceramics Co.Ltd	N/A	PRC	Producer
Guangdong Gold Medal Ceramics Co.,Ltd	N/A	PRC	Producer
The Ministry of Commerce of the People's Republic of China	MOFCOM	PRC	Foreign Government
China Chamber Of Commerce Of Metals, Minerals & Chemicals Importers & Exporters	CCCMC	PRC	Trade Body

11. This review additionally involves the following interested parties who have not registered to the case.

Table 2: Additional contributors

Name	Abbreviation	Country	Category
Ketley Brick Company Ltd.	Ketley	UK	Producer
Matclad Ltd.	Matclad	UK	Producer
Ibstock PLC.	Ibstock	UK	Producer
Forterra PLC.	Forterra	UK	Producer
Craven Dunnill & Co Limited	Craven Dunnill	UK	Producer

12. The following parties provided information relevant to this case, either by provision of a questionnaire response, a submission, or a response to TRA enquires or consultations:



Table 3: Information provided

Name	Abbreviation	Country	Category
Norcros Group (Holdings) Limited trading as Johnson Tiles	Johnson Tiles	UK	Producer
Shackerley (Holdings) Group Limited	Shackerley	UK	Importer
Guangdong Overland Ceramics Co. Limited.	Overland	PRC	Exporter
The Ministry of Commerce of the People's Republic of China	MOFCOM	PRC	Foreign Government
British Ceramic Confederation Ltd.	BCC	UK	Trade Body
China Chamber Of Commerce Of Metals, Minerals & Chemicals Importers & Exporters	CCCMC	PRC	Trade Body
Craven Dunnill & Co Limited	Craven Dunnill	UK	Producer
Ibstock PLC	Ibstock	UK	Producer
Forterra PLC	Forterra	UK	Producer
Matclad Ltd	Matclad	UK	Producer
Ketley Brick Company Ltd.	Ketley	UK	Producer
Original Style Ltd.	Original Style	UK	Producer
Distribution Supplies Ltd.	Distribution Supplies	UK	Importer

13. Relevant non-confidential submissions are published and available on the [public file](#).

B2. Scope

14. Regulation 99A(2)(a)(ii) of the Regulations makes provision for the TRA to consider, within the conduct of a transition review, whether the goods or the description of the goods to which an anti-dumping amount is applicable should be varied.
15. The [NOI](#) describes the goods subject to review as:
- Glazed and unglazed ceramic flags and paving, hearth or wall tiles
 - Glazed and unglazed ceramic mosaic cubes and the like, whether or not on a backing.
16. The NOI additionally references five commodity codes related to the goods subject to review. The individual commodity codes and their definitions are further described in **Section D: The goods and the like goods**
17. The TRA received representations in respect of the description of the goods subject to review from a number of interested parties. We assessed the description of the goods to ensure that the scope of the measure remained appropriate for the UK-specific context.



18. During this assessment we publicly consulted⁴ and received responses⁵ regarding the description of the goods subject to review. Having considered the responses to consultation, and having conducted our assessment, we decided to recommend variation of the description of the goods subject to review. Although the commodity codes under which the goods subject to review are classified remain the same, the intended change in the description of the goods subject to review effectively changes the scope of the measure.
19. After the above assessment was concluded, we received a submission from Distribution Supplies Limited, a UK Importer of the goods subject to review. A non-confidential version of this [submission](#) is available on the public file. We have been unable to address comments contained in the submission in advance of the publication of this SEF, as to do so would have significantly impacted on our ability to deliver this review. We will consider this submission when we assess any comments we may receive on this SEF and we will provide our views and conclusions on it in the Final Recommendation. We have advised Distribution Supplies Limited of our reasons for taking this approach.
20. We intend to recommend inserting 'finishing ceramics' to and removing 'glazed and unglazed' from the description of the goods subject to review, so as to ensure the description of the goods subject to review matches the description of the goods in the UK Trade Tariff and the World Customs Organisation (WCO) Harmonised System (HS) under commodity code 6907.
21. We additionally intend to recommend varying the description of the goods subject to review so that it refers only to single tiles:
 - that conform to the definition of 'ceramic tile' as defined by BS5385-3:2014, or;
 - that conform to the definition of either 'large ceramic format tile' or 'ceramic panel' as defined by BS5385-3:2014 and include a differential relief in excess of 3mm.
22. We have been explicit about the inclusion of non-structural brick slips within the measure.

⁴ See [Note to File published 20 July 2023](#)

⁵ Reference public responses to consultation here Responses received by [CCCMC](#) and [BCC](#).



23. The variation in the description of the goods subject to review we intend to recommend is fully described in **Section D: The goods and the like goods**. As varied, the description of the goods subject to review now reads as follows:

“Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics

except single tiles,

- the largest surface area of which exceeds 0.36m², and
- the differential relief of the largest surface of which does not exceed 3mm.”

B3. Applicability

24. The transitioned UK measure applies to all PRC exporters of the goods subject to review; however, the rate of duty is not constant across exporters. The residual rate of *ad valorem* duty is 69.7%. Six PRC exporters received individual rates of duty from the European Commission (the Commission) during its original investigation. The lowest of these rates was 13.9%, and the highest 36.5%. The non-sampled group of co-operating producers each received a rate of 30.6%. The applicable rates are detailed in **Annex 1: Applicable rates of duty**.

25. As we have been unable to recalculate the anti-dumping amount during this review, we intend to recommend that the rates of anti-dumping duty are unchanged. The intended recommended rates are therefore the existing rates as detailed in **Annex 1: Applicable rates of duty**.

B4. Likelihood of dumping assessment

26. In accordance with regulation 99A(1)(a) of the Regulations, we assessed the likelihood that dumping would continue or recur if the measure was no longer applied (the likelihood of dumping assessment).
27. We determined that it is likely, on the balance of probabilities, that dumping of the goods subject to review would recur if the measure was no longer applied.
28. **Section F: Likelihood of dumping assessment**, details our dumping likelihood assessment.



B5. Likelihood of injury assessment

29. In accordance with regulation 99A(1)(b) of the Regulations, we considered whether injury to the UK industry in the relevant goods would be likely to continue or recur if the anti-dumping measure were no longer applied (the likelihood of injury assessment).
30. We determined that it is likely, on the balance of probabilities, that injury:
- would recur for UK producers of ceramic tiles if the anti-dumping amount were no longer applied to single ceramic tiles described as ‘ceramic tiles’ by BS5385-3:2014;
 - would not recur for UK producers of ceramic tiles if the anti-dumping amount were no longer applied to single ceramic tiles described as either ‘large ceramic format tiles’ or ‘ceramic panels’ by BS5385-3:2014 save for where the differential relief on those products exceeds 3mm.
31. As there is no UK production of large ceramic format tiles or ceramic panels and there is no interchangeability in the end use of such tiles when compared with ‘ceramic tiles’ produced by the UK industry, we intend to recommend a partial revocation of the measure in respect of those goods assessed to be non-injurious to the UK industry should the measure be revoked.
32. **Section G: Likelihood of injury assessment** details our injury likelihood assessment.

B6. Economic Interest Test (EIT)

33. Having considered all evidence gathered, including that presented by interested parties and contributors, and all factors listed in the legislation⁶, we have concluded that:
- the UK market for ceramic tiles is fragmented: it consists of a small number of UK producers and a large number of importing businesses;
 - ceramic tiles manufactured by UK producers are competing with imported ceramic tiles, but also with substitute products (for example, luxury vinyl tiles);

⁶ See paragraph 25 of schedule 4 of the Taxation (Cross Border Trade) Act 2018 (the Taxation Act).



- ceramic tiles are a very important product to UK producers and importers, a somewhat important product to upstream industries but not an important product to downstream industries;
- if the measure were to be varied as recommended, prices of ceramic tiles remaining subject to the measure are likely to be higher than they otherwise would be in the absence of the measure. The exception would be those larger tiles we propose to recommend are removed from the scope of the measure as a result of the proposed variation to the description of the goods subject to review;
- availability of lower-priced alternatives and substitute products suggests that importers, downstream industries and consumers (groups that could benefit from the revocation of the measure) would not be disproportionately affected if the measure were to be varied as proposed; and
- the UK industry would benefit if the measure was varied as proposed, because the measure would prevent a recurrence of injury to UK industry.

34. We therefore conclude that the application of the varied anti-dumping amount, by extending the duration of the measure, and the removal from the description of the goods subject to review of the larger tiles as defined subsequently in this SEF, meets the EIT.

35. **Section H: Economic Interest Test (EIT)** details our EIT.

B7. Intended final recommendation to the Secretary of State for Business and Trade

36. In accordance with regulation 100(1) of the Regulations, the TRA must make a recommendation, following a transition review, to vary or revoke the application of the anti-dumping amount to the relevant goods.

37. We intend to recommend variation of the application of the anti-dumping amount under regulations 100(2)(a)(i) and 100A of the Regulations, so that it applies to the goods subject to review imported from the PRC into the UK and described as ‘ceramic tiles’ by BS5385-3:2014 (see **Section D: The goods and the like goods**) until 24 November 2027 – that is five years subsequent to the date when the measure would have otherwise expired (24 November 2022) had no transition review been initiated.⁷

⁷As detailed in [Taxation Notice 2020/18](#).



38. We also intend to recommend partial revocation of the measure pursuant to regulations 100(2)(a)(ii) and 100B of the Regulations, on ‘**large ceramic format tiles**’ and ‘**ceramic panels**’ as defined by BS5385-3:2014, save for where the differential relief on those products exceeds 3mm, originating in the PRC (see **Section D: The goods and the like goods**), from 24 November 2022 in accordance with regulations 100(2)(a)(ii), 100B, 94(1)(b)(ii) and 97C(1)(a) and (2) of the Regulations.
39. In the absence of suitable data to recalculate the anti-dumping amount, we intend to recommend that the rates of duty remain unchanged from those set out in Taxation Notice 2020/18. The rates we intend to recommend are therefore those current rates detailed in **Annex 1**.
40. Additionally, we intend to recommend varying the description of the goods subject to review as summarised in **Section B2** above and detailed in **Section D: The goods and the like goods** below.
41. We intend to make this recommendation on the grounds that:
- it is likely, on the balance of probabilities, that dumping of the goods subject to review would recur if the anti-dumping amount were no longer applied to those goods; and,
 - it is likely, on the balance of probabilities, injury to UK industry would recur if the anti-dumping amount were no longer applied to the goods subject to review that fall within the description of ‘ceramic tiles’ as defined by BS5385-3:2014; but,
 - it is not likely, on the balance of probabilities, that injury to the UK industry would recur if the anti-dumping amount were no longer applied to the goods subject to review that fall with the description of ‘large ceramic format tiles’ or ‘ceramic panels’ as defined by BS5385-3:2014, save for where the differential relief on those products exceeds 3mm; and,
 - the application of the anti-dumping amount, as proposed in the intended final recommendation, meets the EIT.
42. In reaching this intended final recommendation we considered the current and prospective impact of the anti-dumping amount.



SECTION C: Background

C1. Initiation of the transition review

43. The UK chose to maintain certain trade remedy measures once it was outside the EU's common external tariff. The Department for International Trade (DIT) (now the Department for Business and Trade (DBT)) identified which measures were of interest to the UK following a call for evidence.
44. For each of these measures, the Secretary of State for International Trade (now the Secretary of State for Business and Trade) (the Secretary of State) published a Notice of Determination, under regulation 96(1) of the Regulations, setting out the decision to transition the corresponding EU trade remedies measure, and a Taxation Notice, on replacement of EU trade duty. We conduct transition reviews to determine if these measures should be varied or revoked in the UK.
45. On 31 December 2020, the Secretary of State published a [Notice of Determination](#) regarding the anti-dumping duty on ceramic tiles originating in the PRC, noting the decision to transition the EU anti-dumping measure so it continued to apply in the UK once the UK ceased to apply the EU's Common External Tariff. [Taxation Notice 2020/18](#) gave effect to the transition of the EU anti-dumping duty on ceramic tiles originating in the PRC to become an additional amount of UK import duty.
46. On 22 September 2022, the TRA published a [Notice of Initiation](#) to initiate a transition review of the relevant trade remedies measure relating to ceramic tiles originating in the PRC. This NOI had the effect of initiating this transition review.

C2. Previous measures in place

47. The Commission's existing measure was due to expire 24 November 2022. On 22 November 2022 an EU [notice of initiation](#) launched an expiry review which is due to conclude by 22 February 2024.



C3. Our transition review process

The transitioned measure

48. The EU measure transitioned into UK law, and set out in Taxation Notice 2020/18, took effect as a UK measure on replacement of EU trade duty. Under regulation 97C of the Regulations, this measure will continue to apply until the Secretary of State publishes a notice accepting or rejecting a TRA recommendation to vary or revoke the application of the anti-dumping amounts, following the conclusion of this transition review.
49. The transitioned measure applies to certain ceramic tiles from the PRC. The rates of anti-dumping duty which apply to the goods subject to review exported by the relevant companies are detailed in **Annex 1**.

Information from participants in the review

UK producers

Johnson Tiles

50. A pre-sampling questionnaire response was received from a UK producer of like goods, Johnson Tiles.
51. Johnson Tiles was invited to submit, and subsequently submitted, a full questionnaire.
52. A non-confidential version of Johnson Tiles' [pre-sampling questionnaire](#) can be accessed on our public file.
53. Johnson Tiles provided a [statement of reasons](#) detailing why the TRA should treat their information as confidential and why it was not possible to provide a non-confidential version of its full questionnaire response (see regulation 45 of the Regulations). No non-confidential summary of its full questionnaire response was provided.

Original Style

54. Original Style initially submitted a deficient pre-sampling questionnaire. The TRA sought to address the deficiencies with Original Style; however, a sufficient pre-sampling questionnaire response was not received.



55. Notwithstanding the deficiencies in the pre-sampling questionnaire response, Original Style was invited to submit a full questionnaire. No questionnaire response was received.
56. Original Style subsequently hosted the TRA at a facilitation visit to its manufacturing premises.
57. Ultimately Original Style provided a letter of evidence detailing its position in respect of this measure and this review. A [non-confidential version](#) of this letter is available on the public file.
58. In furtherance of obtaining industry information, we later obtained evidence from Original Style during a meeting in which we discussed its position in respect of this review. A [non-confidential summary](#) of the evidence provided by Original Style is available on the public file and further detailed in **Section E: The UK industry and market**.

Other UK Producers

59. The TRA received information from other domestic producers during this transition review. However, we were not initially able to translate this information into evidence. On 20 July 2023, we published a [note to the public file](#), in which we consulted on the description of the goods subject to review , and additionally detailed assessed deficiencies in our evidence base at that time.
60. Following this publication, it became clear that small and medium sized enterprises (SMEs), operating in the ceramic tile manufacturing sector within the UK, were unable to engage in this review in the manner in which the TRA had envisaged. Additional domestic producers did not formally register to the case on our online Trade Remedies Service, nor did they complete a pre-sampling or full questionnaire. We therefore sought to engage with the UK industry to obtain additional evidential material. **Section E: The UK industry and market** provides further detail.
61. Analysis in this review, to the extent that it refers to UK production and likelihood of injury, has been conducted with reference to the confidential verifiable data of the one verified UK Producer – Johnson Tiles. Additionally, we utilised qualitative data, obtained from other domestic producers during meetings. Written non-confidential summaries of the evidence obtained from these producers ([Original Style](#), [Craven Dunnill](#), [Ibstock](#), [Matclad](#), and [Ketley](#))



are available on the [public file](#) and further detailed in **Section E: The UK industry and market.**

Additional contributory evidence – Forterra

62. Forterra is not currently a manufacturer of the like goods. However, it has publicly stated⁸ that it is making significant investment to manufacture like goods within the UK within the next 12 – 18 months.
63. We obtained evidence from Forterra during a meeting. A non-confidential [summary of the evidence](#) obtained is available on the public file and further detailed in **Section E: The UK industry and market.**

Sampling of UK Producers

64. It was not necessary to sample domestic producers, as only one domestic producer fully engaged with this review.
65. We have sought to engage as many UK producers as possible in order to obtain the best facts available.

PRC exporters

66. Eighteen PRC producers initially engaged with this review and submitted pre-sampling questionnaires. Of these eighteen, eight were exporting to the UK. The PRC producers are listed below, with those exporting detailed:

Overland	Exporting Producer
Guangdong Jiamei Ceramics Co. Ltd.	Exporting Producer
Foshan Shiwan Yulong Ceramic Co. Ltd.	Exporting Producer
Hangzhou Nabel China Co. Ltd	Exporting Producer
Huida	Exporting Producer
Guangdong Huayanpinzhi New Material Co. Ltd.	Exporting Producer
Foshan Wowland Building Material Co. Ltd.	Exporting Producer
Tianjin Honghui Creative Technology Ltd.	Exporting Producer
Fujian Nan'an Baoda Building Material Co. Ltd.	Producer
Monalisa Group Co. Ltd.	Producer
Guangdong Winto Ceramics Co. Ltd.	Producer
Foshan Sanshui Ceramics Co. Ltd.	Producer
Jingdezhen Kito Ceramic Co. Ltd.	Producer
Pingxiang Dacheng Ceramic Technology Co. Ltd.	Producer
Guangdong Xinruncheng Ceramics Co. Ltd.	Producer

⁸ <https://www.thebusinessdesk.com/northwest/news/2096420-lancashire-firm-invests-12m-in-brick-slip-manufacturing-plant>



Guangdong Romantic Ceramics Co. Ltd.	Producer
Qinyuan Gani Ceramics Co. Ltd.	Producer
Guangdong Gold Medal Ceramics Co. Ltd.	Producer

Sampling of overseas exporters

67. The TRA sought to sample from the eight exporting producers⁹ and on 16 November 2022 published a [notice of proposed sample](#) to the public file. This detailed that the TRA proposed to limit its examination to a sample comprising:

Overland
Foshan Shiwan Yulong Ceramics Co. Ltd.
Huida, and
Guangdong Jimaei Ceramics Co. Ltd.

68. The proposed sample was formulated on the basis that these exporters represented the largest volume of exports from the PRC to the UK that the TRA was reasonably able to investigate. The TRA sought to consult and invited comments on the proposed sample.

69. We received one comment on the proposed sample from Huida. It advised that it was unable to participate in this transition review due to the negative impacts of the COVID-19 pandemic upon its business. No other comments were received. On 8 December 2022 the TRA published its [decision](#) to remove Huida from the proposed sample to the public file.

70. Also on 8 December 2022, by separate [notice to the public file](#), the TRA published the final sample of exporters as:

Overland,
Foshan Shiwan Yulong Ceramics Co. Ltd, and
Guangdong Jiamei Ceramics Co. Ltd

71. Full exporter questionnaires were issued to the sampled exporters on 12 December 2022. The deadline for the return of completed questionnaires was 16 January 2023.

72. On 6 January 2023, Overland submitted an application for an extension to the questionnaire response deadline until 6 February 2023. This was granted.

⁹ See regulations 54(4) and 56 of the Regulations.



Trade Remedies Authority

73. Overland's full questionnaire response was received within the extended deadline. A [non-confidential version](#) of the questionnaire response is available on the public file.
74. On 13 January 2023 the TRA received a TRS communication from Foshan Shiwan Yulong Ceramics Co. Ltd, advising that it was not in a position to participate in this transition review due to the negative impacts of the COVID-19 pandemic upon its business. A [non-confidential version of this communication](#) is available on the public file. Nothing further was received from this party.
75. No further communication was received from Guangdong Jiamei Ceramics Co. Ltd.

Importers

76. A pre-sampling questionnaire response was received from a UK importer of ceramic tiles, Shackerley.
77. Shackerley was invited to submit, and subsequently submitted, a full questionnaire.
78. Non-confidential versions of Shackerley's [pre-sampling questionnaire](#) and full [questionnaire](#) can be accessed on our public file.

Foreign government

79. The Ministry of Commerce of the Peoples' Republic of China (MOFCOM) registered to participate in this transition review and submitted a registration of interest. A [non-confidential version](#) of this document may be accessed on the public file.
80. MOFCOM additionally submitted a subsequent response to the allegations of a Particular Market Situation (PMS) existing in the PRC ceramic tiles market, made by Johnson Tiles and BCC in their pre-sampling questionnaire responses. A [non-confidential version](#) of this document may be accessed on the public file.

Other participants

81. Other interested parties and contributors participated in this review. The following trade associations registered their interest in the review and completed contributor registration forms:



[CCCMC](#)
[BCC](#)
[The Tile Association](#)
[BDA](#)

82. No post-registration submissions were received from The Tile Association or the BDA. Further representations and comments were received from CCCMC and BCC as the review progressed. The non-confidential versions of these submission are available on the [public file](#).

Meetings

83. CCCMC and Overland sought meetings with the TRA. Two in-person meetings were conducted on 04 July 2023 at Reading Town Hall. The first of these meetings involved both [CCCMC](#) and Overland. The second meeting was specifically to address [Overland's](#) concerns around recalculation. The information received from these parties is available on the public file.

C4. How we have used submitted data

84. Throughout this transition review, we have used submitted data as part of our evidence base upon which we have made our assessments and formed our conclusions. We have compared submitted evidence against the totality of relevant evidence available to us, both confidential and non-confidential – whether this is evidence submitted by other interested parties, taken from TRA data subscriptions, or publicly available data from governmental, industry and other sources.
85. We have also used submitted data to corroborate or gain a level of assurance on the accuracy, authenticity and or relevance of that data itself, or other evidence either submitted to us or gathered by us.
86. Our ability to publish evidence behind our assessments was affected by Johnson Tiles providing us with a statement of reasons as to why their confidential questionnaire submission was not capable of being provided in a non-confidential format. A [non-confidential version of this statement of reasons](#) is available on the public file. We have therefore not been able to publish a non-confidential summary of their submitted data. Elsewhere in this document we refer to this explanatory section in situations where we would normally refer to non-confidential summaries of data received.



C5. Verification of data

Verification – overseas exporter

87. We assess that Overland's production is not representative of the production output of the PRC industry. We were therefore not able to recalculate the anti-dumping amounts. As Overland's data is not capable of being used, we took the decision not to engage in verification activities in respect of Overland's submission.
88. We received representations from Overland that it sought to be verified and provided with an individual rate. We advised Overland that we would not calculate an individual rate and therefore we would not engage in verification activities in respect of its information.

On site verification – UK producer

89. Submissions by the UK producer, Johnson Tiles, were checked for completeness, consistency and whether that information was verifiable. We concluded that the submitted information was verifiable. There were some deficiencies, all which were resolved by the conclusion of the verification process.
90. We visited Johnson Tiles between 28 June and 30 June 2023 to conduct verification activities. During the meetings, Johnson Tiles provided information and data relating to its accounting systems, sales and costs, processes, and source documents relating to certain transactions. Updated information relating to injury factors was received during on-site verification after discussions. Details of the work carried out can be found in our [verification report](#) on the public file.
91. Following the verification activities undertaken, we have a reasonable level of assurance that data provided by Johnson Tiles can be treated as relevant and accurate for the purpose of this review. The information was not complete, as sales data related only to sales of like goods in the UK under commodity code 6907230000. Information relating to Johnson Tiles' trading in goods under other commodity codes within the scope of this measure was requested, but was not capable of being provided within a timescale that would not have significantly impacted the delivery of this transition review. The TRA therefore agreed with Johnson Tiles the parameters of a subset of data that was acceptable in terms of content and could be submitted within acceptable timescales. In accepting a



subset of data, that subset was no longer assessed as deficient for omission of data pertaining to commodity codes other than 6907230000. This presents difficulties in the extrapolation of data and the presentation of that data in this SEF, especially in respect of our likelihood of injury assessment. Where such difficulties exist, we have highlighted and addressed these in the text.

On site verification – UK Importer

92. Submissions by the UK importer, Shackerley, were checked for completeness, consistency and whether that information was verifiable. There were some deficiencies, all which were resolved by the conclusion of the verification process.
93. We visited Shackerley's premises on 22 June to 23 June to conduct verification activities. During the meetings Shackerley provided information and data relating to its accounting systems, purchases / imports, sales and source documents relating to certain transactions. Details of the work carried out can be found in our [verification report](#) on the public file.
94. Uncertainty remained as to the status of non-structural brick slips within this measure at the time we carried out verification activities with Shackerley. Shackerley was of the opinion that the brick slips it imported were brick products rather than tile products. As such, verification activities did not include non-structural brick slips. In retrospect, this resulted in only a subset of data (imports of goods classified under commodity code 6907210000) being provided and verified. This situation was due to our then understanding of the status of non-structural brick slips within the measure, not as a result of any deficiency on the part of Shackerley. We have concluded that the omission does not have a significant impact on our ability to use the data in our assessments.
95. We have obtained sufficient assurance to conclude that the information provided by Shackerley is verifiable and that it is reasonable for us to treat the information as complete, relevant, and accurate for the purpose of this review.

Additional verification activities

96. We also had regard to evidence obtained from other interested parties where such information was available, and where practicable, have undertaken verification activities using independent sources. This included, but was not limited to, official import statistics and data pertaining to relevant markets. Where data has not been considered to be verifiable, we have highlighted the



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areas and drawn conclusions where possible. Where we have received evidence in respect of UK production of like goods, we have, where possible, visited manufacturing facilities and confirmed production of those like goods.



SECTION D: The goods and like goods

D1. Introduction

97. In this section we assess the goods subject to review, the like goods, and our considerations and recommendations in this regard. This is particularly important in this transition review, as we have received representations from a number of parties that the description of the goods subject to review should be varied.
98. The submissions received contend that the description of the goods subject to review is not suitable for the UK-specific context.
99. Additionally, late in the conduct of this transition review, we became aware of a product (non-structural brick slips) which we had not initially appreciated was within the scope of this measure. We detail our position in respect of non-structural brick slips below.
100. Regulation 99A(2)(a)(ii) of the Regulations makes provision for the TRA to consider, within the conduct of a transition review, whether the goods or the description of the goods to which an anti-dumping amount applies should be varied.
101. In the following sections, we examine the description of the goods in both general terms, and in the context of this review. Then we consider the goods subject to review and the like goods and whether to vary the description of the goods subject to review. Finally, we detail our conclusions in respect of the consideration we have engaged in under regulation 99A(2)(a)(ii) of the Regulations.

D2: Goods subject to review

102. ‘Goods subject to review’ are defined in Regulation 2 of the Regulations as “the goods described in the notice of initiation of a review under paragraph 1 of Schedule 3.”
103. The goods subject to review in this transition review are defined in the NOI as:
- Glazed and unglazed ceramic flags and paving, hearth or wall tiles;
 - Glazed and unglazed ceramic mosaic cubes and the like, whether or not on a backing.



104. The 'goods subject to review' references the commodity codes under which the goods subject to review are classified, which are also detailed in the NOI. The goods subject to review are specific to those goods exported from the PRC.

D3. Characteristics of the goods

105. In this section, we detail considerations in respect of:

- production processes and general definitional and nomenclature elements pertaining to the term 'ceramic tiles'; and
- the description of the goods produced in the UK including the interchangeability throughout the commodity codes;

Ceramic tiles

Production process and ceramic tile standards in the UK

106. Ceramic tiles may be produced by a number of methods.

Dry pressing

107. This is the method of production permitting production of ceramic tiles in volume. Raw materials are mixed and combined with water to create a liquid clay mix. This mix is then spray dried in hot air so as to form a powder. The powder is then pressed into moulds before being allowed to further dry. The dried moulded tile can be fired as a 'biscuit' to later be decorated and / or glazed and refired, or decorated and / or glazed in advance of its first or only firing. All alternative methods of production require significantly longer drying times in advance of firing.

Extrusion

108. The process of extrusion involves malleable clay being forced through a die of a specific shape in a continuous ribbon of material. The extruded ribbon is then cut to length.

Moulding / wet pressing

109. Malleable clay is pressed into a mould. The force applied to the clay varies depending upon the technical properties required of the final tile.



Slip casting

110. Liquid clay mix is poured into moulds and allowed to dry to the point where some malleability of the clay remains. The tile is then removed from the mould and any necessary adjustments made by hand before the tile is allowed to further dry before firing, or decoration / glazing and firing.

Cutting

111. Tiles (non-structural brick slips) may be cut from existing finished brick. This is generally performed by use of circular or table saw.

Pressing pressure and temperature

112. Generally, the more vitrified the desired end tile product, the higher the pressing pressures and firing temperatures that are required. This is especially the case in terms of porcelain tiles (tiles of a water absorption coefficient by weight not exceeding 0.5% - conforming to commodity code 6907210000) produced by dry pressing.

Standards

113. Various UK, EU and international standards apply to ceramic tiles. These standards are not of direct relevance to this review in respect of the assessments conducted and conclusions drawn as a result of those assessments, in that the description of the goods subject to review does not require reference to any technical standard to be understood. We do however use and reference the terms employed by British Standard BS5385-3:2014; 'ceramic tile', 'large ceramic format tile' and 'ceramic panel' in this SEF.

114. We note that BS5385-3:2014 separates ceramic tiles into three categories dependent upon surface area and size:

- **Ceramic tile** denotes product with a surface area of less than or equal to 3600cm^2 (0.36m^2), with no tile edge greater than 600mm in length.
- **Large ceramic format tile** is defined as a ceramic tile with a surface area greater than 3600cm^2 (0.36m^2), with no tile edge exceeding 1200mm.
- **Ceramic panel** is defined as a ceramic tile with a surface area exceeding 1m^2 , with any tile edge exceeding 1200mm.



115. The nomenclature employed by the standard is of assistance in providing context and differentiation of various ceramic tiles in terms of their size. As discussed below in section D6, we consider the characteristics of tiles in the three categories in our assessment whether to vary the description of the goods subject to review.
116. Ceramic articles are broadly and commonly defined as any man-made fired clay. However, note 1c to Chapter 69 of the UK Trade Tariff¹⁰ is more precise, and details that:
- “ceramic articles are obtained by firing inorganic, non-metallic materials which have been prepared and shaped previously at, in general, room temperature. Raw materials comprise, *inter alia*, clays, siliceous materials including fused silica, materials with a high melting point, such as oxides, carbides, nitrides, graphite or other carbon, and in some cases binders such as refractory clays or phosphates.”
117. The term ‘tile’ is widely intuited but poorly defined. In common use, tiles can be of any material and of any shape, although some common definitions insist on them being square or rectangular. Most definitions seem to agree that tiles are thinner in relation to their surface dimensions.
118. The description of the goods subject to review as described in the NOI is “glazed and unglazed ceramic flags and paving, hearth or wall tiles; and glazed and unglazed ceramic mosaic cubes and the like, whether or not on a backing.” In effect, it refers to ‘ceramic flags’, ‘ceramic paving’, ‘ceramic hearth tiles’, ‘ceramic wall tiles’, and ‘ceramic mosaic cubes and the like’. As varied¹¹, this definition will include finishing ceramics.
119. Flags and paving refer to larger tiles, the former usually being rectangular. Both flags and paving are intended to be used on the ground - ‘flags’ being an abbreviated form of ‘flagstone’. ‘Hearth and wall tiles’ refer to ceramic goods especially intended for fixing to existing surfaces. In the case of hearth tiles, these relate to tiles generally affixed to the floor of a fireplace.
120. Mosaic cubes - which in actuality are rarely geometric cubes - refer to small tiles that are frequently used in pools and wet rooms and which can be sold both on and off of backings. The backing permits multiple tiles to be fixed at one time. Tiles are generally spaced on the backing so that post fixing, the gaps between

¹⁰ <https://www.trade-tariff.service.gov.uk/headings/6907>

¹¹ See Section D6, paragraph 220 below.



the tiles facilitates the application of grout so that it appears all of the tiles on the backing have been placed individually rather than collectively. The backing reduces the time required for installation. The commodity code description does not include any reference to 'small', but the WCO's *Explanatory Notes to the Harmonised System* details that mosaic cubes and the like are 'characterised by their small size'. 'Small' is therefore open to interpretation, but several other jurisdictions define small as being smaller than 39cm². There is no reference to size in the UK Trade Tariff in respect of mosaic cubes.

121. The WCO's *Explanatory Notes to the Harmonised System* detail that finishing ceramics includes bordering, capping, skirting, frieze, corner or other fitting tile pieces employed as complementary elements for facing or paving work, with or without rounded edges, non-flat or 3-dimensional, which give them the character of finishing pieces; that would be the case, in particular, for bordering skirting, frieze, corner pieces, decorative inserts and other ceramic accessories.
122. There is no further definition of 'finishing ceramics' contained in the UK Trade Tariff.
123. Collectively, the products above can all generally be referred to as 'ceramic tiles'.
124. The term 'ceramic tiles' on its own could also be used to describe several other goods including (most obviously) 'ceramic filler tiles and the like' (falling under commodity code 6904) or 'roofing tiles' (commodity code 6905), but these are both clearly defined elsewhere in the UK Trade Tariff and are not within scope of this transition review.

Non-structural brick slips

125. Non-structural brick slips are ceramic tiles. The TRA was not aware of this product falling within the scope of this measure at the outset of this review. However, following discussions with various interested parties, and following investigation, the TRA sought to further clarify the status of non-structural brick slips within this measure.
126. In 2023, the WCO issued a commodity opinion (CO) in respect of brick slips. The product sizes detailed in the CO indicate reference to European Union standard brick sizes. However, it was clear from the CO that whether a brick slip was to fall under a brick commodity code (6904) or a tile commodity code



(6907), was determined by reference to whether the product was structural (brick – 6904) or non-structural (tile – 6907).

127. We obtained samples of UK manufactured non-structural brick slips and shared these with His Majesty's Revenue and Customs (HMRC). Following discussions with HMRC, the TRA is assured that non-structural brick slips fall under commodity code 6907 and are therefore subject to this measure. As the TRA are neither a UK importer nor a prospective UK importer of the goods subject to review, HMRC are unable to provide a definitive determination that non-structural brick slips fall within the scope of the measure. HMRC has therefore provided the TRA with an indicative opinion that its view accords with the TRA's assessment.

Brick slip nomenclature

128. Non-structural brick slips are additionally commonly referred to as 'brick thins', 'lightweight masonry veneer' or 'brick veneer'. Other terms may also be used. The term 'pistols' commonly refers to non-structural brick slips formed or manufactured into corners, so as to facilitate the aesthetic of a full brick at returns. These 'pistols' may additionally be referred to as 'header reveals' or 'stretcher reveals', depending upon the return being formed on the shorter or longer edge.

Brick slips / thin brick

129. As discussed above, the TRA understand that non-structural brick slips may also be referred to as 'brick thins'. Notably, brick thins are not the same things as thin bricks. The TRA understand that 'thin bricks' refers to structural brick slips. Given the structural nature of thin brick, this places thin brick within the commodity code 6904 (brick & brick other). Thin brick is therefore outside the scope of this transition review. Some interested parties have raised the question of definitional requirements, so as to clarify at what point a non-structural brick slip (tile - 6907) becomes a structural brick slip (brick - 6904). The technical specificities of structural brick slips are detailed in the WCO commodity opinion but are not relevant to this review.

Brick slips / quarry tiles

130. At least one UK manufacturer of non-structural brick slips, Ketley, manufactures brick slips that are of a specification that renders them equally suitable for mounting on a wall (non-structural brick slip mounted either adhesively or mechanically) or floor (quarry tile for internal floor use). It is therefore clear that



there may be significant interchangeability between non-structural brick slips and floor tiles.

Porcelain

131. A distinction raised by the commodity code structure, as well as our industry engagement, was that of ceramic and porcelain.
132. Porcelain is a common term referring to a harder, more (or fully) vitrified, less water absorbent ceramic variant. The process of producing porcelain results in a product that is harder, more thermally resistant, and that has a lower water absorbency coefficient by weight than conventional ceramic. Because the strength and thermal resistance of ceramic material is strongly inversely correlated with its water absorbency coefficient by weight, it is this figure that is used as its defining and most easily measurable characteristic. As such, the UK tile industry generally describes ceramic tiles with a water absorbance coefficient by weight not exceeding 0.5% (and therefore conforming to commodity code 6907210000) as being 'porcelain tiles'.
133. In terms of practical use, the UK industry has indicated that wall or floor tiles to be used externally and / or as flooring, must meet higher standards in terms of robustness, thermal resistance, and water absorbency. Whilst there are a limited number of high performance, non-porcelain ceramic tiles on the market (usually with a moisture coefficient between 0.5% and 10% and therefore conforming to commodity code 6907220000), many of the tiles used for these applications (particularly externally) will be porcelain by definition.

Summary

134. The term 'ceramic tile' may be used to describe the entire content of the four-digit commodity code 6907. 'Flags', 'paving', 'hearth', 'wall', 'mosaic cubes' and 'finishing ceramics' are all simply descriptors of the intended application of the tiles. For the avoidance of doubt, 'ceramic tile' includes non-structural brick slips, which are simply another form of tile, principally intended for use on a wall, but which, depending upon finish, could equally be applied to a floor.



D4. Further consideration of the description of the goods produced in the UK

135. In the previous section, we discussed that the term ‘ceramic tile’ may be used for the entire content of the commodity code 6907. In this part we shall examine the commodity codes in more detail.

136. The five commodity codes and their relevant descriptors are defined in **Table 4: The five commodity codes within the scope of the measure** below.

Table 4: The five commodity codes within the scope of the measure

Commodity code	Descriptor (first four digits)	Descriptor (digits five and six)
6907210000	Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics	Flags and paving, hearth or wall tiles, other than those of subheadings 6907 30 and 6907 40 of a water absorption coefficient by weight not exceeding 0.5%
6907220000	Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics	Flags and paving, hearth or wall tiles, other than those of subheadings 6907 30 and 6907 40 of a water absorption coefficient by weight exceeding 0.5% but not exceeding 10%
6907230000	Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics	Flags and paving, hearth or wall tiles, other than those of subheadings 6907 30 and 6907 40 of a water absorption coefficient by weight exceeding 10%
6907300000	Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics	Mosaic cubes and the like, other than those of subheading 6907 40
6907400000	Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics	Finishing ceramics

137. In our consideration of the goods subject to review under Regulation 99A(2)(a)(ii) of the Regulations, we conducted an assessment as to whether scope of the measure remained valid for the UK-specific context, including whether the commodity codes affected by the application of the measure should be varied.

138. Of the five commodity codes covered by the measure, in this transition review the TRA has confirmed that ceramic tiles falling under one of these codes, 6907230000, are produced by Johnson Tiles.



139. In their [letter of evidence](#), Original Style have stated that they produce ceramic tiles falling under the commodity codes 6907220000 and 6907230000. Whilst this production has not been subjected to verification activities, we have confirmed Original Style's UK production of ceramic tiles conforming to commodity code 6907230000 during a facilitation visit.
140. Additionally, we have confirmed that Original Style engage in factored sales of products which conform to all commodity codes.
141. The TRA has received evidence that products under all five commodity codes are also produced domestically in the UK by Craven Dunnill. The TRA have confirmed Craven Dunnill's production of goods conforming to all commodity codes.
142. TRA received submissions from Johnson Tiles and BCC that a unidirectional interchangeability exists between goods classified under commodity codes 6907210000, 6907220000 and 6907230000, and that therefore, goods classified under 6907210000 and 6907220000 are interchangeable with the goods that conform to commodity code 6907230000 in certain applications.
143. We have received evidence and confirmed that goods, which if exported would conform to all commodity codes, are produced in the UK.
144. Further to our consultation on the description of the goods subject to review, we received [a submission](#) from CCCMC that product within commodity code 6907210000 was not produced in the UK and therefore should be removed from the scope of the measure.
145. We also received representations from Shackerley, that it was not able to source domestically produced ceramic tiles, which if exported would conform to commodity code 6907210000 (porcelain tiles). Further, it advised that it was unable to domestically source these goods in single tile sizes that were sufficiently large for its purposes (external building cladding systems). Shackerley therefore submitted that the goods subject to review conforming to commodity code 6907210000 should be removed from the scope of the measure, as their inclusion in the measure, in the absence of domestic production of comparable like goods, made its purchase of the goods subject to review or like goods necessarily from export sources, and consequently, at higher prices than was justified (given the current *ad valorem* duty imposed on the goods subject to review).



146. We weighed the above representations with evidence of UK production of product which if exported would conform to commodity code 6907210000 but accepted that there was no UK production within this commodity code in a format and at sizes that would make these UK-produced ceramic tiles suitable for Shackerley's applications. We therefore rejected the submission that product in commodity code 6907210000 should be removed from the scope of this measure. We have accepted the commercial realities of Shackerley's position and consider amendments to the description of the goods subject to review to reflect differences in size between domestically produced ceramic tiles and the imported goods, see section D6.
147. CCCMC submitted that ceramic tiles exceeding 600mm on the longest edge should also be removed from scope. CCCMC submitted that there was no UK domestic production capability in respect of tiles exceeding 600mm on the longest edge. We assessed relevant amendments to the description of the goods subject to review to address differences between the domestically produced ceramic tiles and imports from the PRC, see section D6.

Comparability and interchangeability of ceramic tiles classified under the five commodity codes

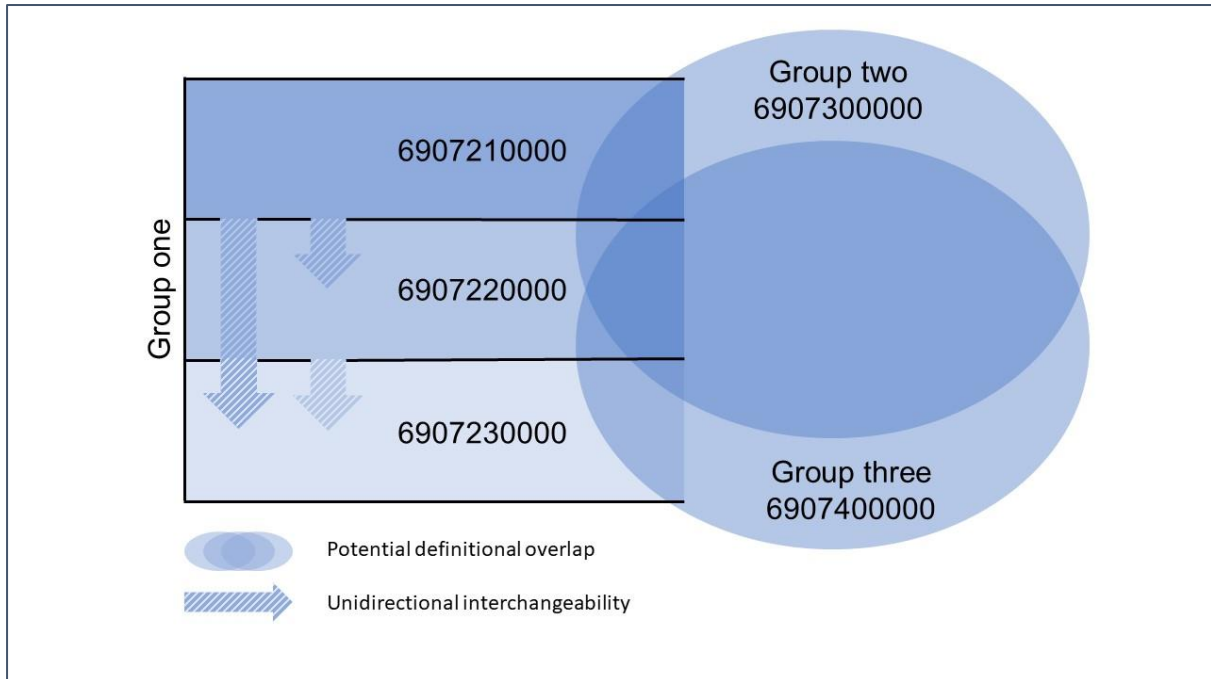
148. We assessed the descriptions of ceramic tiles provided by each of the five commodity codes referenced by the measure subject to the transition review to understand whether goods covered under one of these five commodity codes may also be classified under one of the other codes and how this needs to be taken into consideration when referencing the commodity codes relevant to our intended final recommendation.

End use, comparability and interchangeability between groups

149. The five commodity codes of the transitioned measure can be divided into three groups. The first group refers to ceramic flags and paving, hearth or wall tiles with varying moisture absorbency (69072x); the second refers to mosaic cubes and the like (69073x); and the third refers to finishing ceramics (69074x). **Figure 1: Category overlap and unidirectional interchangeability** below shows category overlap and unidirectional interchangeability.



Figure 1: Category overlap and unidirectional interchangeability



Group one: commodity codes 6907210000, 6907220000 and 6907230000

150. Within group one, superficially similar goods are defined by their water absorbency coefficient by weight, a metric that is indicative of the degree of vitrification, which is itself an indicator of abrasion, impact and thermal resistance. Products across the three commodity codes have demonstrably different properties and therefore tangibly different uses by consumers.
151. Applications that require greater physical impact or abrasion resistance (for example those on the floor/ground) or those that require lower water absorbency (for example external tiles which must resist frost damage) must use materials with appropriate physical properties. In the UK, these requirements are codified in various British Standards documents. Other jurisdictions have similar standard documents.
152. Applications that do not require specifically enhanced resistance to physical impact, abrasion resistance or moisture absorbency (like most internal wall tiles) have less stringent physical requirements.



153. Ultimately, technical standards are not referenced by the description of the goods. To the extent that technical standards are referenced by the commodity code descriptions, they are sufficient for the purposes of this review. No reference to either UK or international standards is required for the purposes of consideration of variation of the scope of the measure, although we have referenced descriptions of ‘ceramic tile’, ‘large ceramic format tile’ and ‘ceramic panel’ as defined by BS5385-3:2014 to provide further explanation of our methodology and considerations.
154. Tiles designated for external, or floor application must meet certain standards, but these can also be used as internal wall tiles, whilst products designated as internal wall tiles generally cannot be used for external or floor application in the UK. This creates a unidirectional interchangeability within the group.
155. However, harder tiles are more difficult to work with. More highly vitrified tiles are harder to cut and drill, often requiring more expensive and / or specialised equipment and more time to undertake to avoid damage being caused to the tile. Porcelain tiles have an increased tendency to chip whilst being cut than non-porcelain ceramic.
156. Importantly the process of creating higher levels of vitrification generally costs more to achieve. As such, we would expect more vitrified tiles to sell for a higher price if all other variables are the same. After considering the comparability and interchangeability of the remaining two groups, we will return to this issue in more detail in the section on substitutability below.

Group two: commodity code 6907300000

157. Group two only includes goods classified under commodity code 6907300000: ‘ceramic mosaic cubes and the like, whether or not on a backing’. As explained above at paragraph 120 products falling under this commodity code can refer to any small tile, regardless of its water absorbency co-efficient. This could technically make them interchangeable with some goods in group one and / or group three under certain circumstances.
158. In practice, products within this category are destined for a relatively specific end use: the creation of a decorative surface comprised of small tiles. This creates a circular definition but one that seems to be widely understood by end users and has limited practical effect. In effect ‘mosaic cubes’ is a largely arbitrary distinction on the basis of end use. A “mosaic cube” (which may rarely be an actual geometric cube) may legitimately be described as a ceramic tile



under commodity codes 6907210000, 6907220000 or 6907230000 dependent upon its water absorption coefficient by weight but may also be capable of accurate description as a finishing ceramic (under commodity code 6907400000), which constitutes group three.

159. The result of this arbitrary distinction is that some goods from group two could be reasonably attributed to groups one or three. There is a likelihood that this already happens, but the ramifications of this are limited by the fact that all five categories have the same tariff rate. Without a quantifiable definition of 'small', were goods classified under commodity code 6907300000 removed from the scope of the measure, there may be an incentive for products remaining subject to the measure to be misdescribed as a product which was no longer subject to the measure.
160. This potential for either deliberate misdescription or mistaken attribution does not support the argument that ceramic tiles classified under group two (commodity code 6907300000) could be withdrawn from the scope of this review, without the significant risk of circumvention of the measure, either purposefully, negligently, or mistakenly.

Group three: commodity code 6907400000

161. Group three includes only commodity code 6907400000: 'finishing ceramics' as described above. As with group two, there is no technical distinction based on water absorbency. This could make them interchangeable with some goods in group one and / or group two under certain circumstances.
162. In practice, products within this category are destined for a relatively specific end use, the finishing of projects comprised of different kinds of tiles. They can be rectilinear but will often be shaped or have profiled edges to allow them to act as corner or end pieces. This also creates a circular definition, but one that seems to be widely understood by end users and has limited practical effect. We assess that 'finishing ceramics' is a largely arbitrary distinction based on perceived end use.
163. The result of this arbitrary distinction is that some goods from group three could also be reasonably attributed to groups one or two. There is the possibility that this already happens, but the ramifications of this are limited by all five categories currently having the same tariff rate. Without a more granular definition of 'finishing ceramics' (most tiles are finishing ceramics in the abstract), were goods subject to review classified under commodity code



6907400000 removed from the scope of the measure, there may be an incentive for products remaining within the measure to be misdescribed as products removed from scope and therefore no longer subject to the measure.

164. This potential for misdescription does not support the argument that the category in group three (commodity code 6907400000) could be withdrawn from scope without the evident risk of circumvention of the measure.

Substitutability within group one

165. Having addressed practical definitional overlap between the three groups of products, this section will expand on the tension between water absorbency / hardness, and usability / price, amongst the three commodity codes that make up group one: 6907210000, 6907220000 and 6907230000.
166. As discussed above, the TRA accepts that there exists a unidirectional functional substitutability within group one, whereby harder tiles can serve the function of less hard tiles but not the reverse. This section will look at the factors that would allow harder tiles to be competitive substitutes for less hard ones in an open market.
167. In a situation where ceramic tiles in all three commodities codes were available in exactly the same range of sizes, colours, decorative styles, finishes and critically were sold at exactly the same price, it is logical that downstream industry would tend to select product in the most water absorbent (that is the least hard product) commodity code category that their given application would permit. This is because, all other variables being equal, harder tiles are harder to work with.
168. External cladding and flooring require the harder, less water absorbent tiles available (commodity codes 6907210000 and 6907220000). Fitters accept the difficulty in drilling or cutting the product, on the basis that standards and regulation dictate technical specifications for such applications.
169. The needs of internal flooring can be met with a medium density tile (commodity code 6907220000), harder than ceramic tiles within commodity code 6907230000, but not necessarily as hard as those required for the applications above.



170. Finally, most internal wall applications could be met by standard ceramic wall tiles (commodity code 6907230000), hard enough for most domestic uses but relatively forgiving and easy to work with.

Factors permitting harder goods to become economically viable substitutes for softer ones

Decoration

171. Information from secondary sources indicate that less hard tiles are available in a wider assortment of decorative styles, colours and finishes than harder tiles. We do not assess this to be the case.
172. Through our consideration of the information, we have received from UK producers and facilitation visits, we assess that products in all commodity codes within this group are decorated using equivalent methods.
173. Whilst the nature of international shipping tends to favour larger consignments, and larger consignments tend to lend themselves towards larger volumes of a more limited range of decorative styles, there is no significant evidence that non-porcelain ceramic tiles have a market advantage in terms of decoration / lines available compared to their porcelain equivalents.

Status

174. As discussed above, ceramic tiles with a moisture coefficient by volume not exceeding 0.5% can be referred to as porcelain, a term which still maintains its association with high-end ceramic ware.
175. Whilst it is clear that the term porcelain is used as a status term in the marketing of goods, it is nearly impossible to quantify how much value the term itself lends to the product.

Price

176. Based upon our understanding of the industry and the end use of the various tiles within group one, the main reason a consumer would choose to use a harder tile when a softer one would be acceptable would be price, although it is possible that durability may also be a factor for some end users or in some applications.



177. Overland were the only exporter to submit a completed questionnaire. Price information is not available to be referenced from the non-confidential version of Overland’s submission. The TRA have conducted a confidential price threat assessment and conclude that imported harder goods subject to review likely pose a price threat to UK produced like goods which would fall under commodity code 6907230000 if the product were to be exported.

HMRC import data

178. [HMRC import data](#) allows us to compare the aggregate price of each category of exports from the PRC both in terms of £/kg and £/m² and examine whether the unit price of harder categories of tile are lower (and therefore a threat) to less hard categories.

Table 5: PRC price per kg with price threats from one or more ‘harder’ categories

	2018/19	2019/20	2020/21	POI
6907210000	£0.30	£0.30	£0.32	£0.49
6907220000	£0.41	£0.29	£0.32	£1.52
6907230000	£0.31	£0.42	£0.37	£3.56

Source: HMRC import data.

- Price threat from one ‘harder’ category of good
- Price threat from both ‘harder’ categories of goods

Table 6: PRC price per m² with price threats from one or more ‘harder’ categories

	2018/19	2019/20	2020/21	POI
6907210000	£6.14	£6.17	£6.35	£10.86
6907220000	£7.54	£5.27	£3.50	£2.90
6907230000	£4.88	£3.21	£4.57	£54.98

Source: HMRC import data.

- Price threat from one ‘harder’ category of good
- Price threat from both ‘harder’ categories of goods

Table 7: Total UK import price per kg with price threats from one or more ‘harder’ categories

	2018/19	2019/20	2020/21	POI
6907210000	£0.42	£0.41	£0.39	£0.49
6907220000	£0.38	£0.22	£0.39	£0.49
6907230000	£0.45	£0.42	£0.40	£0.52

Source: HMRC import data.

- Price threat from one ‘harder’ category of good
- Price threat from both ‘harder’ categories of goods



Table 8: Total UK import price per m² with price threats from one or more 'harder' categories

	2018/19	2019/20	2020/21	POI
6907210000	£7.09	£5.73	£7.17	£6.70
6907220000	£4.69	£3.09	£6.09	£6.83
6907230000	£6.22	£5.26	£5.08	£5.22

Source: HMRC import data.

■ Price threat from one 'harder' category of good

■ Price threat from both 'harder' categories of goods

Conclusion on price

179. These datasets suggest several things. Firstly, they underline the fundamental variance between prices of the same goods measured in £/kg and £/m². This could be a result of several variables but is most likely a result of differences in tile thickness with larger format tiles being thicker and therefore considerably heavier per m² than smaller format equivalents¹². It is worth noting that harder tiles are generally denser (and therefore heavier per m²), but also that they are exported in considerably higher volume and therefore likely cost less to produce per consignment. These nuances cannot be applied to the broader question of scope exclusion without recourse to a granular level of data that we have not been able to acquire. This said, this variance does not support the argument that any of these categories could be cleanly withdrawn from scope.
180. Secondly, they show that prices across all categories are extremely variable, both between categories and between years, reflecting changes in costs, manufacturing, trade and demand that are largely unavailable for analysis. This price volatility does not support an argument that any of these categories should be withdrawn from the scope.
181. Thirdly, they clearly show several incidences where less hard categories of tiles are more expensive per unit than their harder equivalents. Whilst there is variance between prices as calculated by kg and m², it is notable that in no year was commodity code 6907230000 the unambiguous cheapest category during the period for either PRC or global imports. This indicates that there is

¹² Whilst it is acknowledged that some large tiles are available in thin format (generally tiles conforming to commodity code 6907210000), generally, the larger the surface area of a tile, the thicker it may need to be to permit the tile to be sufficiently robust to withstand handling. The thinner the tile is at a larger surface area, the more prone it is to sustaining damage whilst being handled.



considerable potential for substitution between categories and that both commodity codes 6907210000 and 6907220000 represent a price threat to the category of like goods which we have confirmed as being produced in volume in the UK by Johnson Tiles. This strongly supports the arguments advanced by Johnson Tiles and the BCC that a unidirectional substitutability exists in group one. Even had we not found evidence of UK production of like goods which if exported would fall within commodity codes 6907210000 and 6907220000, we assess that there is sufficient evidence justifying the retention of all of the commodity codes covered by group one within the scope of the measure.

Summary of Findings

182. We have confirmed UK production of like goods which if exported would fall under commodity codes 6907300000 and 6907400000.
183. We have confirmed UK production of ceramic tiles which if exported would fall under all the commodity codes comprising group one and have undertaken verification activities in respect of production of like goods which if exported would fall under commodity code 6907230000.
184. Even had we not found evidence of UK production of ceramic tiles, which if exported would fall under commodity codes 6907210000 and 6907220000, given the unidirectional interchangeability of harder tiles over less hard tiles, we assess that like goods from third countries and goods subject to review classified under these commodity codes could act as substitutes for UK-produced like goods, which if exported would fall under commodity code 6907230000, given a sufficiently low price point.
185. We accept that variance between £/kg and £/m² indicate that there may be significant differences between goods within the established commodity codes, most likely as a function of physical dimensions (primarily thickness) and density.

D5: Like goods

186. Paragraph 7(1) of Schedule 4 to the Taxation (Cross-border Trade) Act 2018 (the Act) defines 'like goods' as:
- (a) goods which are like those goods¹³ in all respects; or

¹³ In this context, 'goods' refers to the 'goods subject to review'.



(b) if there are no such goods, goods which, although not alike in all respects, have characteristics closely resembling those of the goods in question.

187. Like goods refers to goods manufactured in the UK or in a third country (*i.e.* not the UK or the PRC).

188. During our review we found evidence of UK production of single tiles with a surface area of less than or equal to 0.36m^2 . We found limited evidence of UK production of single tiles of which the largest surface area exceeded 0.36m^2 . Where we did find evidence of production of single tiles where the largest surface area exceeded 0.36m^2 , the differential relief of the largest surface exceeded 3mm. These are decorative pieces.

189. We concluded that the like goods are single tiles with a surface area of less than or equal to 0.36m^2 , and single tiles with a surface area greater than 0.36m^2 where the differential relief of the largest surface exceeds 3mm.

190. We compared the like goods produced in the UK to the description of the goods subject to review and concluded that there is no UK production of goods that are like large ceramic format tiles or ceramic panels (with a differential relief of the largest surface in excess of 3mm).

D6: Consideration of variation of the goods subject to review or of their description

191. In this part of the section, we detail our considerations of the description of the goods subject to review.

192. As discussed in paragraph 103 above, the current description of the goods is;

- Glazed and unglazed ceramic flags and paving, hearth or wall tiles;
- Glazed and unglazed ceramic mosaic cubes and the like, whether or not on a backing.

193. The TRA assess that this definition should also contain the words 'finishing ceramics' but should not include the words 'glazed and unglazed'.



194. In the UK Trade Tariff¹⁴ and the WCO HS codes¹⁵, “glazed and unglazed” are not included, and “finishing ceramics” are included, within the definition of this commodity code group (6907).
195. However, the description of the goods subject to review is taken from the description detailed on the NOI. The wording of the description on the NOI is taken from the Taxation Notice, and in turn, the wording on the Taxation Notice is taken from the original EU measure (Commission Implementing Regulation (EU) 2017/2179) – where the words “glazed and unglazed” are included, and “finishing ceramics” are absent.
196. Finishing ceramics are covered by commodity code 6907400000. This commodity code is within the scope of this measure. These products are therefore covered by this measure, notwithstanding the omission of the words “finishing ceramics” from the product description.
197. We consider that ‘finishing ceramics’ should be added to the description of the goods, so as to accurately reflect the wording of the description in the UK Trade Tariff and the WCO Harmonised System under commodity code 6907.
198. As being “glazed or unglazed” is a binary option, the inclusion of these words in the description of the goods adds nothing in this context. We consider that “glazed and unglazed” should be deleted from the description of the goods, so as to accurately reflect the wording of the description in the UK Trade Tariff and the WCO Harmonised System under commodity code 6907.
199. As detailed in section D4, during our review we found no UK production of single tiles of which the largest surface area exceeded 0.36m² and with a differential relief which does not exceed 3mm. We therefore concluded that such tiles should be removed from the scope of the measure.
200. **Section E** details the UK industry and references the evidence received from UK manufacturers of the like goods as to the goods they produce.

¹⁴ <https://www.trade-tariff.service.gov.uk/headings/6907>

¹⁵ https://www.wcoomd.org/-/media/wco/public/global/pdf/topics/nomenclature/instruments-and-tools/hs-nomenclature-2022/2022/1369_2022e.pdf?la=en



D7. Conclusion on the goods and the like goods

201. Having reviewed the goods subject to review and the description of those goods, we intend to recommend that the description of the goods subject to review should be varied to read as follows:

“Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics,

except single tiles,

the largest surface area of which exceeds 0.36m², and

the differential relief of the largest surface of which does not exceed 3mm.”

202. The intended variation of the description of the goods subject to review will limit the extent of the application of the measure against the full range of goods classified under the relevant commodity codes.



SECTION E: The UK industry and market

E1. The UK industry

Production industry

203. The TRA has confirmed that the UK industry for ceramic tiles is comprised primarily of small and medium sized enterprise (SME) businesses producing products which if exported would fall across all the commodity codes forming the goods subject to review (scope) and subject to this measure.
204. The one verified producer, Johnson Tiles, fully participated in this transition review. The TRA confirmed the UK industry opinion that Johnson Tiles is the only mass producer of UK-produced like goods at present.
205. Original Style and Craven Dunnill are smaller producers and, due to their size and composition, were unable to fully engage with this review by completion of pre-sampling and full questionnaires.
206. Matclad, Ibstock and Ketley are also producers of like goods that if exported would fall within commodity code 6907220000 (but could additionally reasonably be categorised under commodity code 6907400000). The product manufactured by these three producers (non-structural brick slips) was not initially identified as falling within the scope of this measure. As such their engagement was very late in the process of this review, and only as a result of these businesses being approached by the TRA. Even had the above producers been identified at the outset of this review, or had they been aware that their product was like the goods subject to review and within the scope of this review at the point of its initiation, we accept that these producers would likely have been in a similar position to Original Style and Craven Dunnill, in terms of their ability to fully engage in this review. This is because they are SMEs and do not have the capacity to engage in this review in the manner anticipated by the TRA.
207. Forterra is not currently a producer of ceramic tiles. They are principally a manufacturer of brick products, but they have made significant investment to produce products like those imported under commodity code 6907220000 (non-structural brick slips) within the next 12-18 months.



Production methods

208. The verified UK producer, Johnson Tiles, manufactures ceramic tiles by dry pressing.
209. Original Style manufacture by slip casting and wet pressing.
210. Craven Dunnill manufacture by slip casting and wet pressing / moulding.
211. Matclad manufacture by wet pressing / moulding, extrusion and cutting.
212. Ibstock currently manufacture by cutting but are making significant investment to produce by extrusion.
213. Forterra does not currently produce the like goods but is making significant investment to produce by extrusion.
214. Ketley produce by extrusion.

Changes in technology

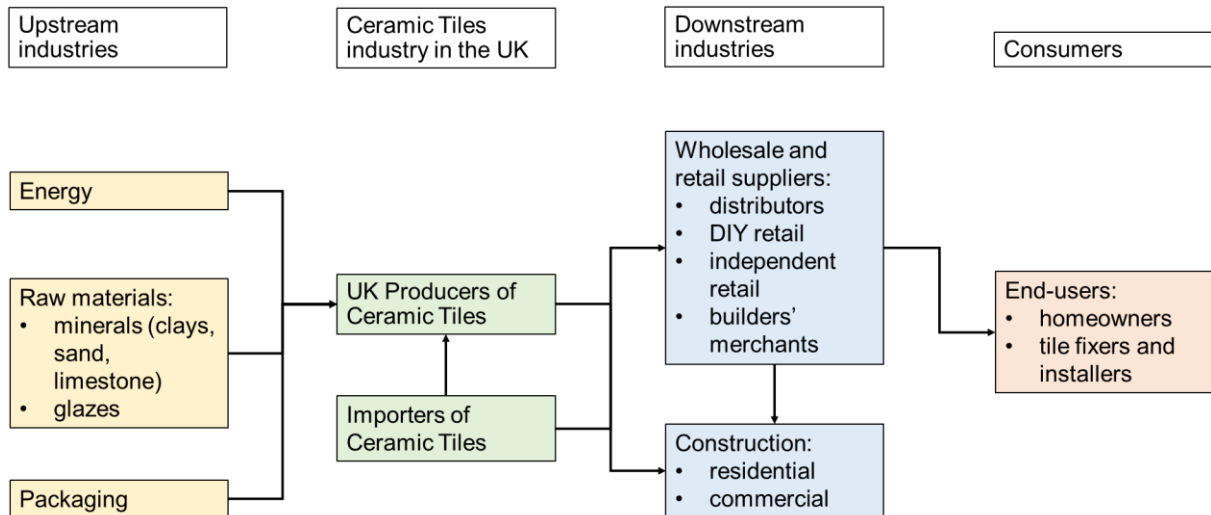
215. There has been no information received from interested parties and contributors in relation to changes in technology (to produce the goods subject to review), and no substantive changes in technology identified by the TRA, in relation to the production of ceramic tiles.

Supply chain overview

216. As shown in Figure 2, ceramic tiles are produced using energy and raw materials (minerals and glazes).



Figure 2: Supply chain for ceramic tiles



217. Main upstream industries in the supply chain for ceramic tiles include those that supply minerals (clays, sand and limestone) and glazes. In addition, energy suppliers and packaging suppliers are also among upstream industries in the supply chain for ceramic tiles.

218. In respect of downstream industries, producers of ceramic tiles sell to wholesale and retail suppliers, who subsequently sell to construction industry as well as end-users (homeowners, and tile fixers and installers). Producers of ceramic tiles do also sell directly to construction companies. Most sales of UK producers of ceramic tiles are to wholesale and retail suppliers, rather than direct sales to construction businesses or consumers.

End use

219. The end use of, and UK market for ceramic tiles is in construction. Construction is a significant sector in the UK economy with an estimated 1.4¹⁶ to 2.2¹⁷ million employees and an estimated GVA of £108 billion per annum¹⁸.

E2. The UK market

220. We reviewed the UK market for ceramic tiles.

221. We have not been able to confirm the scale of the UK market for ceramic tiles.

¹⁶ [Construction statistics annual tables - Office for National Statistics](#) – 2020 dataset, tables 3.4 – 3.6

¹⁷ [Business population estimates 2020 - GOV.UK \(www.gov.uk\)](#) – detailed tables, table 5

¹⁸ [GDP output approach – low-level aggregates - Office for National Statistics \(ons.gov.uk\)](#) - Table 2a (2021 GVA of £122 bn)



222. We reviewed both production output and domestic sales for UK-produced like goods by Johnson Tiles. In addition, we received estimates of output and / or sales value in meetings with other producers. However, the TRA is unable to detail this information without compromising confidential information provided to us by the UK industry.
223. We reviewed HMRC import figures which valued total imports of goods subject to review and like goods to the UK at between £263 million and £606 million per year during the IP. We note that this represents import values and not sales values, which would likely be higher.
224. The annual (2023) report and accounts of Topps Tiles Plc, which is the UK's largest tile specialist company whose principal business activities relate to the retail of ceramic tiles and related products¹⁹, states that the UK market for ceramic tiles is a large and fragmented market that is worth approximately £1.3 billion per annum.²⁰
225. Topps Tiles Plc quotes data on the size of the UK market for ceramic tiles from a survey by Mintel, which is based on manufacturer and supplier data.²¹ The most recent UK Ceramic Tiles Market Report from Mintel estimates that the UK ceramic tiles market was worth £423.8 million in 2022 (at manufacturers' selling prices), up from £392.4 million in 2021 and £327.0 million in 2020.
226. Topps Tiles Plc estimates that at selling prices, the UK market for ceramic tiles in 2022 was worth approximately £800 million per annum, or £1.3 billion per annum when including adhesives, grouts and tools.
227. Topps Tiles Plc, using data from Mintel, states that the UK tile market is made up of 55% domestic sector and 45% commercial sector. Domestic sector is defined as including the renovation, maintenance and improvement of residential properties. Commercial sector is defined as including commercial building projects and new built residential property (housebuilding).
228. In light of the information above, we deem this to be a reasonable appraisal of the UK ceramic tile industry, although we note that this would not likely include

¹⁹ Grouts, adhesives, spacers, tools etc. (not within scope of this measure).

²⁰ Topps Tiles plc (2023) Annual Report and Accounts for the 52-Week Period Ended 1 October 2022, available at: <https://find-and-update.company-information.service.gov.uk/company/03213782/filing-history/MzM3MDk0MjU3OGFkaXF6a2N4/document?format=pdf&download=0>.

²¹ Mintel is a company whose principal business activities are the provision of market research-based information services. Mintel (2023) UK Ceramic Tiles Market Report 2022, available at: <https://store.mintel.com/report/uk-ceramic-tiles-market-report>.



non-structural brick slips, which are frequently counted as part of the brick industry.

Trends

229. The TRA is unable to detail its findings regarding UK sales trends without compromising the confidential data provided to us by the UK industry.
230. The TRA was able to review trends in import data and note that there was an increase in the value and volume of imports of all categories during the IP, suggesting the demand for ceramic tiles remained strong during that period.

Interchangeability and competition between goods outside of scope

231. We considered interchangeability and competition with goods that could be described as 'ceramic tiles' but were not included within the scope of this measure. These included 'ceramic filler tiles and the like' (6904) and 'roofing tiles' (6905).
232. We are satisfied that the definitions of these goods were sufficiently clear, and they represent functionally different goods to the goods subject to review or the UK-produced like goods. We are satisfied that these goods are not interchangeable or competitors with the UK-produced like goods.

Consumer preferences

233. The TRA has limited data regarding consumer behaviour or preferences for ceramic tiles.
234. We note that the increase in import figures during the IP suggest that the demand for ceramic tiles in the UK remains strong.
235. We note the prevalence of dedicated ceramic tile retailers as well as the sizable selections of tile goods available through the large DIY and trade retailers. These selections appear to be broader than most of the interchangeable functional alternatives available. This suggests that porous bodied wall tiles and ceramic / porcelain floor tiles are popular with consumers.



236. We note that we have limited data on the prevalence of non-structural brick slips, which are traded differently than the porous bodied wall tiles and ceramic / porcelain floor tiles discussed above. We note that the industry has suggested that these are growing in popularity as the UK construction sector moves towards more lightweight building methods. Whilst we cannot quantify this, Ibstock and Forterra's substantial investment into the production of non-structural brick slips suggests that the brick industry is willing to invest considerably in the future of these tile products.



SECTION F: Likelihood of dumping assessment

F1. Introduction

238. In accordance with regulation 99A(1)(a) of the Regulations, we have assessed whether the dumping of the goods subject to review would be likely to continue or recur if the anti-dumping amount were no longer applied to those goods.

239. Following the conclusion that it was not possible to recalculate the anti-dumping amount, we conducted the likelihood of dumping assessment, which we decided to do on a countrywide basis. The assessment considered the following at country level:

- continued dumping;
- production capacity;
- inventories;
- production levels;
- ability to shift production to the goods subject to review;
- market prices in the UK and the overseas exporters' market;
- exports to third countries;
- conditions in the overseas exporters' domestic market;
- attractiveness of the UK market to exporters;
- whether exporters have previously or habitually circumvented or absorbed the effects of trade remedy measures; and
- any other relevant factor.

240. We conducted this assessment to inform our determination as to whether the measure currently applying to the goods subject to review should be varied or revoked. We conducted the assessment to determine, on the balance of probabilities, the likelihood that dumping of the goods subject to review would continue or recur if the measures were no longer applied.

241. Information obtained from secondary sources including, but not limited to, HMRC and UN Comtrade, was used in accordance with the Regulations where primary data was not available.

242. HMRC uses commodity codes to separate different products. The commodity codes relating specifically to ceramic tiles and related goods are not adequately granular to segregate into the categories of tiles we have referenced as falling within the definitions 'ceramic tile', 'large ceramic format tile' and 'ceramic



panel' within BS5385-3:2014. Our determinations on a likelihood of dumping are therefore applicable to all ceramic tiles within scope of this measure.

F2. Conditions for dumping

Continued dumping

243. The European Commission (the Commission) imposed anti-dumping duties on imports of the goods subject to review on 12 September 2011. On 22 November 2017, the Commission completed an expiry review and concluded to maintain the measures.

244. HMRC reported that imports of goods subject to review in terms of volume decreased 70% from 31,521,670 kg in 2018/19 to 9,520,479 kg during the POI. The import of the goods subject to review in the POI represented 0.77% of the total UK imports of ceramic tiles.

Table 9: Imports of the goods subject to review in kg, 2018/19 to POI

	2018/19	2019/20	2020/21	POI
Volume of UK imports of goods subject to review (kg)	31,521,670	22,292,022	16,571,192	9,520,479
Index 2018/19 = 100	100	71	53	30
Volume of UK import of goods subject to review (% of UK imports of ceramic tiles)	4.58%	3.23%	1.74%	0.77%
Index 2018/19 = 100	100	71	38	17

Source: HMRC import data.

245. HMRC also recorded that the import of goods subject to review in terms of value decreased 55% from £10,116,901 in 2018/19 to £5,588,843 in the POI. The import of goods subject to review in the POI represented 0.92% of the total UK imports of ceramic tiles in that period.



Table 10: Imports of the goods subject to review in £, 2018/19 to POI

	2018/19	2019/20	2020/2021	POI
Value of UK imports of goods subject to review (£)	10,116,901	7,243,873	5,705,389	5,588,843
Index 2018/19 = 100	100	72	57	55
Value of UK import of goods subject to review (% of UK imports of ceramic tiles)	3.45%	2.76%	1.53%	0.92%
Index 2018/19 = 100	100	80	44	27

Source: HMRC import data.

246. We would expect that an anti-dumping measure may have the effect of discouraging imports of dumped goods, and the data appears to support this. We assess that dumping has not continued during the POI, but without the measure in place, we should not necessarily expect imports of the goods subject to review to continue to be limited.

Production capacity

247. We have assessed submissions provided to us by a domestic producer and an interested party and the report “Commission staff working document on significant distortions in the economy of the PRC for the purposes of trade defence investigations” prepared by the European Commission dated 20 December 2017²². This showed that the spare production capacity of ceramic tiles in the PRC had grown from 20% in 2011 to 26% in 2014, and to 35% at the end of 2016.

248. Although this data source pre-dates the IP, unverified confidential data from a Chinese exporter is in line with this trend. The secondary source “[Final Report - Market Distortions in the Chinese Architectural Ceramics Industry](#)”²³ prepared by THINK!DESK China Research & Consulting also indicated that several PRC ceramic tile producers had announced between January 2021 and October

²² [Commission Staff Working Document, on Significant Distortions in the Economy of the People’s Republic of China for the Purposes of Trade Defence Investigations, 20 December 2017](#)

²³ [“Final Report - Market Distortions in the Chinese Architectural Ceramics Industry” dated 11 May 2022, Pages 13 - 14](#)



2021 that they would make substantial investment totalling RMB 58.5 billion, approximately equivalent to £656 million²⁴, to expand their production capacity. These included the construction of a ceramic tile and home furnishing industrial park and adding a significant number of new production lines.

249. Having considered these sources, we assess that there may be significant production capacities in the PRC in respect of the production of the goods subject to review, with capacity higher in the POI than in previous years, and an expectation that this trend of increasing capacity may continue.
250. On the balance of probabilities, we assess that production capacities of the goods subject to review in the PRC suggests that the conditions for dumping may currently exist.

Production levels

251. Ceramic World Review has reported world ceramic tile production as being between 16 and 17.5 billion m² between the calendar years²⁵ 2018 and 2022. Of this, the PRC industry's production represented between 43% and 51% making it the world's largest producer of ceramic tiles. Whereas the second largest world producer, India, was only responsible for between 11% and 14% of global production.

²⁴ Using HMRC average rate in year 2021 with £1 to RMB 8.908242

²⁵ This information is only available in calendar years and is used for indicative purposes only.



Table 11: Production levels

	2018	2019	2020	2021	2022
World production (x 1,000,000 m ²)	17,430	16,806	17,134	18,572	16,762
World production (Index 2018 = 100)	100	96	98	105	96
PRC industry production (x 1,000,000 m ²)	9,011	8,225	8,474	8,863	7,312
PRC industry production (Index 2018 = 100)	100	91	94	98	81

Source: [Ceramic World Review 153/2023](#)

252. We have limited data on which to base our assessment, but by combining unverified data, historic data, and information from secondary sources, we assess that there may be significant production levels in respect of the goods subject to review, with production levels higher in the POI than in previous years, and an expectation that this trend of increasing production may continue.

253. On the balance of probabilities, we assess that production levels of the goods subject to review in the PRC suggests that the conditions for dumping may currently exist.

Inventory

254. We assessed the inventory levels of PRC industry by reviewing unverified confidential data from a PRC producer and data obtained from secondary sources.

255. We found some evidence of year-end inventory levels decreasing prior to the POI, and then increasing during the POI. We assess that the decrease in closing inventory may be a result of COVID-19 measures like stay-at-home orders and travel restrictions²⁶, which may have adversely affected production in the PRC.

²⁶ <https://www.aa.com.tr/en/asia-pacific/china-imposes-covid-19-restrictions-in-foshan/2260238>



256. According to “[Final Report Market Distortions in the Chinese Architectural Ceramics Industry](#)” prepared by THINK!DESK China Research & Consulting²⁷, the finished product inventories of ceramic tiles reached RMB 31.2 billion at the end of 2020, approximately equivalent to £351 million, and had increased 7.2% compared to the year 2019. Although we cannot say how much of this is destined for the domestic or other markets, when comparing this against the total import value of ceramic tiles to the UK in 2020, which was £294,165,225, we found that the inventory levels in the PRC were 19% higher than the total UK imports value in year 2020.
257. We assess that there is a substantial amount of inventory in the PRC which could be exported to the UK if the measure was revoked. This suggests that the conditions for dumping may currently exist.

Ability to shift production to the goods subject to review

258. We have considered information from a UK producer and an unverified submission from a PRC producer. Both essentially adopted similar processes of production, and we note that volume tile production facilities are specifically built to produce tiles in volume. Producers are unable to shift production from making the ceramic tiles within scope of this review into other products, or vice versa.
259. At an advanced stage in the investigation and as a result of our enquiries, it became clear that non-structural brick slips fell under the definition of the goods subject to review and the like goods.
260. One method of non-structural brick slip production involves cutting one or more slips from an existing brick. This would change a good beyond the scope of this review into a good within the scope of this review. Additionally, non-structural brick slips could be produced more straightforwardly by extrusion.
261. We do not have evidence of PRC producers manufacturing slips in this way, but we do have evidence of UK brick manufactures doing so. We note that the equipment required to undertake this process is easily available and therefore it is possible that existing PRC brick manufacturers could switch to the production of goods subject to review if the incentives were present.

²⁷ [Final Report Market Distortions in the Chinese Architectural Ceramics Industry](#)



262. We note that this is a relatively slow and expensive process of manufacture that would be ill-suited to mass production and less likely to occur than other forms of production which would not be considered switching production.

263. On the balance of probabilities, the brick industry may have the ability to shift production to the goods subject to review, but we cannot make an evidenced-based assessment as to how likely that is, and therefore we assess this to be a neutral indicator in respect of the conditions for dumping existing.

Conclusion on conditions for dumping

264. We have concluded that, while dumping has not continued during the POI, this may be a result of the measure being in place and therefore should not be taken as evidence that dumping would not recur should the measure be revoked. Taken together, we found that there are sufficient production capacities, production levels, and inventories of the goods subject to review within PRC to indicate that PRC exporters would be in a position to dump goods subject to review in the UK market should the incentives exist for them to do so. We found some evidence that PRC exporters may be able to shift further production capacity to the goods subject to review but could not assess whether this was likely. On the basis of this holistic assessment, we conclude that, on the balance of probabilities, the conditions for dumping exist.

F3. Incentives to dump

Market prices in the UK and overseas exporters' market

265. We received domestic prices from a PRC producer and considered treating these prices as being indicative of PRC domestic sales prices but assessed that this was not appropriate in this case. In particular, the sales prices provided were not necessarily representative of their sales on the domestic (PRC) market, because we do not know:

- what proportion of production is sold domestically (PRC), internationally (exports to third (i.e. not the UK) countries), and exported to the UK;
- what sales the price data we have been provided relate to (if it is all their sales, what (if any) other information is available to corroborate or substantiate their domestic sales prices);
- where the exporter sits in the PRC industry in terms of quality (if they are at the higher end of production, it may be that their prices are



significantly higher than the average price of goods produced within the PRC industry); and / or

- how representative the sales prices are of the industry more broadly.

266. We also note that whilst UK producers and interested parties have alleged that a particular market situation (PMS) exists in the PRC, they have not supplied evidence to support the allegation.

267. Given the dumping margin is not being recalculated in this transition review, there is no requirement to assess PMS. The following analysis does not consider the existence of a PMS or any other market distortions.

268. Unverified, confidential evidence we have seen suggests that PRC domestic prices may have been lower than the UK's domestic sales price throughout the IP. This could be taken to suggest that the PRC exporters may not have to sell at dumped prices to compete on price in the UK. However, the caveats above suggest that this comparison is not robust without using more detailed data.

269. Taken alone, this factor therefore does not indicate that price incentives exist for PRC exporters to dump to the UK. However, we are treating this factor with caution due to the limited data available. This factor is therefore neutral in our assessment of incentives to dump.

Exports to third countries

270. According to the trade remedies data portal of the World Trade Organisation²⁸, the European Union, the United Kingdom, the United States, and the Gulf Cooperation Council have a measure in place. Jurisdictions without measures in place include Philippines, Indonesia and the Republic of Korea.

271. We note that the prevalence of measures globally is high, which may suggest that PRC exporters of ceramic tiles do have a history of dumping. We also note that the UK is geographically surrounded by countries with measures in place. Were the UK measure to be revoked, the UK would likely become much more attractive than surrounding countries, given they have measures in place, and as a result trade may be diverted to the UK as the goods could be exported to the UK without the imposition of anti-dumping duties. We cannot assess whether this would lead to dumping or not, but we do note that the prevalence

²⁸ Trade remedies data portal of World Trade Organisation [Antidumping investigation initiations - Trade Remedies Data Portal \(wto.org\)](https://www.wto.org/antidumping/investigation/initiations).



of measures in place suggests that PRC producers may have a history of dumping the goods subject to review.

272. On the balance of probabilities, we assess that PRC exporters of ceramic tiles do have a history of dumping and therefore the incentives to dump again may exist were the measure revoked.

Conditions in overseas exporters' domestic market

273. We did not receive any evidence from interested parties in relation to this factor, so we have relied on open-source research for this factor. We found that many media sources reported the PRC economic outlook, and the property market was poor. Reuters reported that “Moody’s cuts China property sector’s outlook to negative” on 14 September 2023²⁹; BBC reported that “China suspends youth unemployment data after record high”³⁰ on 15 August 2023, and that “Evergrande³¹ shares slide as mainland unit misses debt payment” on 16 September 2023³². According to the Ceramic World Review³³, the domestic ceramic tile industry in the PRC had contracted over 2022 by 17.5% in terms of production and an equivalent decline in consumption over the same period. The global market for ceramic tiles was forecast to continue to contract into 2024.

274. As the goods subject to review are one of the important materials used for property construction, the negative conditions in the PRC domestic market such as economic downturn, collapse of developers, over-supply of properties and high unemployment rates, as referenced in the sources we reviewed, would indicate a likely slowdown in the demand of ceramic tiles domestically.

275. On the balance of probabilities, we assess that the conditions in the overseas exporters' domestic market support a positive assessment that the incentives for dumping of the goods subject to review exist.

Attractiveness of the UK market

Market size and growth

²⁹<https://www.reuters.com/markets/asia/moodys-cuts-china-property-sectors-outlook-negative-2023-09-14/#:~:text=Moody's%20said%20it%20expected%20contracted,defaults%20by%20cash%2Dsqueezed%20developers.>

³⁰ <https://www.bbc.co.uk/news/business-66506132>

³¹ China Evergrande Group is a Chinese property developer.

³² <https://www.bbc.co.uk/news/business-66920878>

³³ [Ceramic World Review 153/2023](#)



276. Market size and growth do not particularly indicate that the UK is an attractive market. Due to the confidential nature of the data, we have used, we cannot reference the basis of this assessment in this SEF. We nonetheless conclude that market size and growth is a neutral indicator in our assessment of the UK as an attractive market.

Pricing

277. We have compared the average PRC import price of the goods globally to the import price of the goods subject to review from the PRC to the UK.

Table 12: Unit price of UK imports of the goods subject to review versus unit price of third countries' imports of like goods, 2018-2021

	2018	2019	2020	2021
Import price from the PRC to UK (£/kg)	0.28	0.51	0.51	0.94
Index (2018 = 100)	100	182	182	336
Import price from the PRC to third countries (£/kg)	0.07	0.25	0.66	0.45
Index (2018 = 100)	100	357	943	643

Source: [UN Comtrade, World Integrated Trade Solution](#).

278. The UK import prices from the PRC were higher than the third countries' import prices from the PRC from 2018 to 2021. This suggests that the UK may be an attractive market for PRC exporters, as they may be able to sell at a higher price here than elsewhere. This contributes to an assessment that the incentives for dumping may exist.



Business environment and economic outlook

279. According to the British Chamber of Commerce³⁴, overall UK economic growth is expected to be consistently low. They upgraded the 2023 GDP forecast from 0.3% to 0.4%. GDP growth in 2024, on the contrary, was downgraded from 0.6% to 0.3%. The low growth rate was attributed to high inflation and increase in bank interest rates.
280. The Monetary Policy Report of the Bank of England from August 2023³⁵ observed that there has been a decline in construction output in the UK owing to slowed business activity across the UK economy. The Monetary Policy Report noted that construction output remained at relatively low levels and had declined further due to softer demand and higher financing costs. It also noted that there was a modest increase in the number of construction firms entering insolvency procedures. Any slowdown in the construction industry is likely to lower demand for ceramic tiles. This may reduce the attractiveness of the UK market for PRC exporters and would be less of an incentive for PRC exporters to dump the goods subject to review in the UK.
281. However, while the outlook for UK economic growth may be low, we note that the UK business environment is positive, with the UK ranked 8th on the World Bank Ease of Doing Business Index³⁶. The British Pound is also 5th strongest currency globally, according to Forbes³⁷.
282. We would also note here that during this review, CCCMC and Overland met with the TRA in Reading. Representations received from these parties during these meetings and throughout this review sought removal of the measures, and if this were not to be possible, verification of Overland's data and calculation of an individual rate. It was apparent from this visit that there is significant interest from PRC exporters in the UK market.
283. We therefore conclude that the UK's modest economic outlook does not necessarily make it unattractive, given the UK's business environment and currency.

³⁴ <https://www.britishchambers.org.uk/news/2023/09/bcc-economic-forecast-fragile-economy-stuck-in-first-gear/>

³⁵ Bank of England (2023) Monetary Policy Report August 2023, available at: <https://www.bankofengland.co.uk/monetary-policy-report/2023/august-2023> (accessed 13 September 2023).

³⁶ [Rankings \(doingbusiness.org\)](https://www.doingbusiness.org/)

³⁷ [Top 10 Strongest Currencies In The World In 2023 – Forbes Advisor UK](https://www.forbes.com/advisor/uk/top-10-strongest-currencies-in-the-world-in-2023/)



Circumvention and absorption

284. Due to a lack of data available or submissions made regarding this factor, it does not contribute to our assessment.

Any other relevant factor

285. The following additional factors are relevant in assessing whether dumping is likely to recur if the measure were no longer applied:

- i. Indications from importers are that they would import more of the goods subject to review if the measure were to be revoked because imports would be cheaper than UK-produced like goods.
- ii. Some producers stated that the downstream UK industry (large 'shed' importers) is likely to actively seek lower-priced products from PRC producers should the measure be revoked. This may suggest dumping could be facilitated by proactive interventions from the UK downstream industry.

286. On the balance of probabilities, these other relevant factors may suggest that dumping of the goods subject to review may be likely to recur if the measure were no longer applied.

Conclusion on incentives to dump

287. We were unable to obtain reliable data to make a price comparison between UK and PRC prices. We were also unable to assess whether exporters have previously or habitually circumvented or absorbed the effects of trade remedy measures. These factors therefore have not contributed to our likelihood of dumping assessment.

288. We found that, on the balance of probabilities, exports to third countries, conditions in overseas exporters' domestic market and attractiveness of the UK market support a positive assessment that the incentives to dump the goods subject to review may exist. On the basis of this holistic assessment, we conclude that, on the balance of probabilities, the incentive to dump the goods subject to review exist.



289.

F4. Conclusion on likelihood of dumping assessment

We conclude that, on the balance of probabilities, both conditions and incentives for dumping of the goods subject to review into the UK market exist. We therefore assess that, should the measures be revoked, dumping of all of the goods subject to review is likely to recur.



SECTION G: Likelihood of injury assessment

G1. Introduction

290. In accordance with regulation 99A(1)(b) of the Regulations, we are required to consider whether injury to the UK industry would be likely to continue or recur if the anti-dumping measure were no longer applied to imports of goods subject to review.

291. In order to conduct this likelihood of injury assessment, we considered:

- the current state of the UK industry;
- other factors affecting injury;
- undercutting and/or underselling of the UK industry;
- domestic and international market conditions;
- historic injury data; and
- any other relevant factors.

292. We conducted this assessment to inform our determination as to whether the measure should be varied or revoked. The assessment of the likelihood of injury was concluded on the balance of probabilities.

G2. The current state of the UK industry

293. In assessing the current state of the UK industry, we considered:

- actual and potential declines in;
 - sales;
 - profits;
 - output;
 - market share;
 - productivity;
 - return on investments, and;
 - production capacity;
- factors affecting the domestic price of the like goods;
- the magnitude of the margin of dumping;
- actual and potential negative effects on;
 - cash flow;
 - inventories;



- employment;
- wages;
- growth; and
- the ability to raise capital or investments.

294. The TRA is unable to fully detail its findings against these 15 factors without compromising the confidential data provided to us by the UK industry. The following is a summary of our conclusions.

295. We assessed that nine of the 15 factors were positive indicators that the UK industry would be vulnerable to injury were the anti-dumping measure to no longer apply to the goods subject to review. These included: actual and potential declines in sales, profits, outputs, market share, return on investment and utilisation of capacity, as well as factors affecting the domestic price of like goods and actual and potential negative effects on employment and growth.

296. We assessed that six of the 15 factors were neutral indicators that the UK industry would be vulnerable to injury were the anti-dumping measure to no longer apply to the goods subject to review. These included: actual and potential declines in productivity; the magnitude of the margin of dumping; and actual and potential negative effects on cash flow, inventories, wages, and the ability to raise capital or investments.

297. We assessed that none of the 15 factors were negative indicators that the UK industry would be vulnerable to injury were the anti-dumping measure to no longer apply to the goods subject to review.

298. We therefore assess that the current state of the UK industry contributes to an assessment that the UK industry would be vulnerable to injury were the anti-dumping measure to no longer apply to the goods subject to review.

G3. Other causes of injury (non-attribution)

299. We assessed whether any other factors have caused or are causing injury to the UK industry.

COVID-19 pandemic

300. The domestic industry was affected by the national response to the COVID-19 pandemic.



301. In most cases UK manufacture and trading were stopped for a number of weeks in 2020. This had particular effect on volume manufacturers who make use of continual production lines which had to be shut down and restarted.
302. In most cases supply of raw materials and distribution of goods continued to be negatively affected for much of 2020. Imports of goods including like goods and goods subject to review continued to be disrupted throughout the IP.
303. The industry noted that the pandemic also affected customer purchasing behaviour, resulting in distortions in demand for building supplies.
304. These disruptive effects can be seen in most of the injury factors considered.
305. We assess that the COVID-19 pandemic was a considerable disruptive event which made the UK industry vulnerable to changes in trade flows and price pressure. However, the industry appears to have survived this event and we do not assess that the effect of the COVID-19 pandemic is likely to affect the industry in the future.
306. As a result, this factor does not prevent a conclusion that injury is likely to recur were the anti-dumping measure to no longer apply to the goods subject to review.

Wholesale energy prices

307. Wholesale energy prices were highly volatile in the period leading to and following Russia's invasion of Ukraine in February 2022.
308. Over the IP, the price paid by the UK industry for wholesale gas fluctuated considerably.
309. The Office of Gas and Electricity Markets (Ofgem) indicates that wholesale prices peaked in August 2022, declined, and then have remained stable since February 2023, at an average price level about twice those seen prior to 2020/21.
310. As the mass production of ceramic tiles is particularly energy intensive, changes to the wholesale price of gas will have a substantial effect on manufacturing costs.



311. We assess that whilst the volatility of the wholesale gas market has settled in the short term, the doubling of the ambient price per unit of gas in the long term will have a material effect on the cost per unit of manufacture. These costs must be borne by the industry or passed on to the consumer in the form of higher prices. This would make it more difficult to maintain market share and would make the UK industry vulnerable to the effects of increased and lower priced imports.
312. However, while rising energy costs may continue to make the UK industry vulnerable to downward pressure on prices in the future, e.g. from dumped imports, the impact of energy costs is not currently so great as to mean injury to the industry from dumped imports would not occur. We also do not expect the global conditions contributing to current energy costs to continue to worsen.
313. As a result, this factor does not prevent a conclusion that injury is likely to recur were the anti-dumping measure to no longer apply to the goods subject to review.

Imports from third countries

314. During the IP the UK imported 3,652,978 tonnes of ceramic tiles at a value of £1.53 billion across all five commodity tiles.
315. For context, during the same period, the PRC industry exported 79,905 tonnes at a value of £28,655,006. This ranks the PRC industry as the eighth biggest exporter of ceramic tiles to the UK, but still only grants it a market share of 1.9% of value and 2.2% of volume of total imports to the UK.

Table 13: Value of third country exports to the UK

	2018/19	2019/20	2020/21	2021/22
Spain	£107,941,980	£92,934,785	£118,144,284	£223,024,058
Italy	£56,824,109	£49,016,594	£53,176,990	£131,666,194
Turkey	£53,946,728	£52,971,628	£91,507,476	£98,832,970
India	£13,028,830	£16,430,796	£44,859,748	£56,256,300
PRC	£10,116,901	£7,243,873	£5,705,389	£5,588,843
Total Imports	£293,378,928	£262,892,400	£372,264,279	£606,047,512

Source: HMRC Trade data



Table 14: Volume (kg) of third country exports to the UK

	2018/19	2019/20	2020/21	2021/22
Spain	218,025,313	191,273,737	243,962,285	431,617,665
Italy	82,663,517	75,435,064	84,161,205	190,732,182
Turkey	183,491,964	180,459,668	306,010,266	285,529,599
India	48,814,759	62,013,567	149,961,542	133,560,063
PRC	31,521,670	22,292,022	16,571,192	9,520,479
Total Imports	688,380,306	691,140,864	952,805,962	1,230,650,639

Source: HMRC Trade data

316. The four biggest exporters of like goods to the UK – Spain, Italy, Türkiye and India – collectively accounted for 82% of import value and 80% of import volume during the IP. We note that all four rated in the 10 top manufacturing countries by Ceramic World Review in 2023.
317. All four of these industries demonstrated an increasing trend in both value and volume across the IP.
318. We are unable to discuss the size of the UK market or relative market shares without compromising confidential data provided to us by the UK industry. This said, we can assert that domestic production represents a relatively small proportion of total consumption of ceramic tiles in the UK.

Unit prices of imports

319. The unit prices of existing imports from the top four exporting industries exhibit a broad range from £0.31 per kg (Türkiye) to £0.67 per kg (Italy) over the IP.



Table 15: Prices of all categories of imports to the UK

	2018/19	2019/20	2020/21	2021/22
Spain	£0.50	£0.49	£0.48	£0.52
Spain (indexed)	100	98	98	104
Italy	£0.69	£0.65	£0.63	£0.69
Italy (indexed)	100	95	92	100
Türkiye	£0.29	£0.29	£0.30	£0.35
Türkiye (Indexed)	100	100	102	118
India*	£0.28	£0.28	£0.31	£0.44
India (Indexed)*	100	99	112	158
PRC*	£0.33	£0.34	£0.36	£0.61
PRC (Indexed)*	100	101	107	183
Total Imports	£0.43	£0.38	£0.39	£0.49
	100	89	92	116

Source: HMRC Trade data. Note, prices for India and the PRC above are adjusted to take into account the MFN tariff. The overall import price is based on unadjusted HMRC figures.

320. We note that the overall price of imports rose by 16% overall, with each of the four top exporters demonstrating either price stability or price rises during the IP.
321. This suggests the market is well established, relatively stable and stratified, with some exporters competing more on qualitative factors whilst others compete more on price.
322. We note that the current PRC import price sits towards the lower end of this spread despite relatively low levels of imports during the IP.
323. We are unable to discuss the prices of UK-produced like goods without compromising confidential data provided to us by the UK industry. This said, we assess that existing import prices create a competitive trading environment for UK-produced like goods.



Conclusions

324. We assess that the volume of trade and the competitive import prices of the top four exporters indicates that the UK is already a competitive trading market for ceramic tiles.
325. We assess that the four largest exporting countries have the scale to adapt to changes in demand and trade flows and can collectively compete more effectively on both price and quality than the smaller UK industry.
326. This would mean that it is likely that were goods subject to review to be imported in large volumes and at dumped prices, the four current largest exporters to the UK would likely be able to defend their market share at the expense of the UK industry's.
327. As such, we assess that the volume and prices of imported like goods from third countries contribute to the vulnerable state of the UK industry.
328. However, we do not assess that this contribution is so substantial as to prevent a conclusion that injury is likely to recur were the anti-dumping measure to no longer apply to the goods subject to review.

Interchangeability / competition between goods

329. The TRA assessed interchangeability and competition between the like goods sold in the UK and functional alternatives beyond the scope of this transition review.
330. We considered competition between some like goods and functional flooring alternatives including hardwoods, laminates, vinyl sheeting and luxury vinyl tiles. We note that these alternatives have sufficient practical and aesthetic differences so as to not be considered interchangeable. We therefore assess that the competition between like goods and functional flooring alternatives is largely based on consumer preference.
331. We considered competition between some like goods and functional internal wall covering alternatives including paint, wallpaper and waterproof lining boards. We note that these alternatives have sufficient practical and aesthetic differences so as to not be considered interchangeable. We assess that the



competition between like goods and functional internal wall covering alternatives is largely based on consumer preference.

332. We considered competition between some like goods and functional external wall cladding alternatives including brick, wood, plastic, and metal. We note that these alternatives have sufficient practical and aesthetic differences so as not to be considered interchangeable. We therefore assess that the choice between like goods and functional external wall covering alternatives is largely based on design or consumer preference and/or planning conditions.
333. We assess that whilst some functional alternatives can compete with like goods, there is insufficient evidence to suggest that these contribute to the vulnerability of the UK industry.
334. As a result, this factor does not prevent a conclusion that injury is likely to recur were the anti-dumping measure to no longer apply to the goods subject to review.

Conclusion on other factors affecting injury

335. The TRA assessed that during the IP, the COVID-19 pandemic, the wholesale cost of fuel and the effects of imports from third countries contributed to the vulnerable state of the UK industry.
336. The TRA assessed that during the IP, interchangeability and competition from functional alternatives did not contribute to the vulnerability of the UK industry.
337. Our assessment of these factors is that none were so substantial as to mean that injury to the UK industry caused by dumped imports would not be likely to recur.
338. We therefore conclude that other causes of injury will not negate any finding of likelihood of injury we may reach in this assessment.

G4. Undercutting of the UK industry

339. Price undercutting is where dumped goods are consistently priced lower than the like goods produced in the UK.
340. Price underselling is where dumped goods are consistently priced lower than the target price of the like goods produced by the UK industry.



341. In the event of undercutting, UK industry may be forced to reduce its prices to compete against the lower priced goods or risk losing market share. This may also prevent prices of like goods in the UK from rising to a level that the UK industry would otherwise achieve. These effects may also occur in the event of underselling.
342. We calculated approximated landed prices by dividing the total value of PRC imports of goods subject to review by total volume of imports during the IP. We compared these to an indicative UK sales price based on the domestic industry's total sales value divided by its total sales volume.
343. The TRA is unable to detail these price comparisons without compromising confidential data provided to us by the UK industry. The following is a summary of our conclusions only.
344. The TRA assess that it is likely that goods subject to review would undercut UK-produced like goods of the same category in the future were the anti-dumping measure to no longer apply.
345. The TRA assess that it is likely that this undercutting would suppress the prices of the UK industry.
346. We therefore conclude that undercutting of the UK industry contributes to an assessment that injury to the UK industry would be likely were the anti-dumping measure to no longer apply to the goods subject to review.

G5. Domestic and international market conditions

347. Domestic and international market conditions directly influence a variety of factors that contribute to the overall vulnerability of the UK industry and the likelihood that the UK industry would suffer injury were the anti-dumping measure to no longer apply to the goods subject to review.
348. To assess the potential trends in market conditions, we considered UK consumption and demand, international supply and demand, imports from third countries and interchangeability and competition between goods.



UK consumption and demand

349. The TRA has not been able to source complete figures for consumption or demand for ceramic tiles in the UK.

350. We have estimated UK consumption by combining HMRC import figures with UK domestic sales figures. We also estimated consumption for commodity code 6907230000 only, as several industry stakeholders have confirmed that this is the category under which most UK production of like goods would be categorised.

Table 16: UK consumption: Imports (kg)

	2018/19	2019/20	2020/21	2021/22
Total imports	688,380,306	691,140,864	952,805,962	1,230,650,639
(Index 2018/19 = 100)	100	100	138	179
Imports of 6907230000	114,917,738	108,589,229	156,853,053	202,828,494
(Index 2018/19 = 100)	100	94	136	177

351. The TRA is unable to detail this analysis without compromising confidential data provided to us by the UK industry. However, we confirm that UK industry output represented a relatively small proportion of UK consumed tiles.

352. We assess that overall UK consumption of ceramic tiles increased over the course of the injury period. We note that this trend is present both at the four-digit (commodity code 6907) and ten-digit (commodity code 6907230000) levels, reflecting the goods most commonly produced in the UK.

353. We are satisfied that the overall demand for ceramic tiles was strong during the IP.

354. Given the increase in demand and consumption experienced across the IP, our assessment is that this factor would not contribute to the vulnerability of the UK industry were the anti-dumping measure to no longer apply to the goods subject to review.



International supply and demand

355. The TRA has assessed international supply and demand and its effects on the UK ceramic tile industry.

356. Ceramic World Review has reported world ceramic tile production as being between 16 and 17.5 billion m² between 2018 and 2022³⁸. Of this, the PRC industry's production represented between 43% and 51%. For context, the second largest world producer, India, was responsible for between 11% and 14% of global production.

Table 17: Production of ceramic tiles, 1,000,000 m²

	2018	2019	2020	2021	2022
World Production (x 1,000,000 m ²)	17,430	16,806	17,134	18,572	16,762
World Production (Index 2018 = 100)	100	96	98	105	96
World Production excluding the PRC (x 1,000,000 m ²)	8,419	8,578	8,627	9,476	9,450
World Production excluding the PRC (Index 2018 = 100)	100	102	102	113	112

Source: [Ceramic World Review 153/2023](#).

357. World production data indicates that there were fluctuations within the period with a peak in 2021 but an overall 4% decline in 2022 figures compared to 2018.

358. World production excluding the output from the PRC increased constantly during the period, ending 12% above 2018 figures. This indicates that the global decline in production was largely driven by the decline in the PRC.

359. 16% - 17% of global production was exported between 2018 and 2022. The export market fluctuated during the period but ended only 2% lower than figures at the beginning of the period.

³⁸ Ceramic World Review's data is only available in calendar years and so is included for indicative purposes only.



Table 18: World exports

	2018	2019	2020	2021	2022
World exports (x 1,000,000 m ²)	2,815	2,831	2,771	3,013	2,770
World exports (Index 2018 = 100)	100	101	98	107	98
World exports excluding the PRC (x 1,000,000 m ²)	1,961	2,052	2,149	2,412	2,191
World exports excluding the PRC (Index 2018 = 100)	100	105	110	123	112

Source: [Ceramic World Review 153/2023](#).

360. The export market fluctuated during the period but ended only 2% lower than figures at the beginning of the period. If the PRC industry exports were excluded, total global exports increased over the period, ending 12% higher in 2022 than in 2018.
361. Despite a decline in production and exports over the period, the PRC industry remains the largest producer and exporter of tile goods worldwide. However, during the injury period it made up only 2% of UK imports.
362. Spain, Italy, Türkiye and India collectively provided over 75% of the volume of imports of like goods to the UK during the injury period. During that time each country increased both its total exports to the global market and its exports to the UK.
363. Together, these indicate a constant and substantial supply of ceramic tiles available for import to the UK.
364. We note that Ceramic World Review ranks the UK as the 10th largest importer of ceramic tiles worldwide.



Effect on the UK industry

365. We assessed market shares by comparing import volumes and UK industry sales figures to the consumption figures alluded to above.
366. The TRA is unable to detail this analysis without compromising confidential data provided to us by the UK industry. The following is a summary of our conclusions only.
367. We assess that international supply and demand conditions would contribute to the vulnerability of the UK industry were the anti-dumping measure to no longer apply to the goods subject to review.

Conclusion on domestic and international market conditions

368. The TRA assesses that the global tile industry and global tile markets are both substantial in scale and largely healthy.
369. We assess that the UK experienced a growth in demand for goods subject to review and like goods during the IP. This would support an assessment that the UK is an attractive and valuable market for overseas exporters.
370. We assess that international supply and demand conditions would contribute to the vulnerability of the UK industry were this measure to no longer apply to the goods subject to review.
371. We therefore assess that domestic and international supply and demand conditions would contribute to an assessment of vulnerability of the UK industry were the anti-dumping measure to no longer apply to the goods subject to review.

G6. Historic injury data

372. The TRA considered whether the UK industry had suffered material injury in the past as a result of dumped imports and if / when this changed.
373. The original anti-dumping measure was imposed by the European Commission on goods subject to review on 12 September 2011 to prevent injury to the EU domestic industry, which then included the UK industry.



374. We have limited UK specific industry data from before the imposition of the measure.
375. As such this factor does not contribute to our conclusion of the likelihood of injury recurring were the anti-dumping measure to no longer apply to the goods subject to review.

G7. Any other relevant factor

Downstream factors affecting the likelihood of injury

376. Craven Dunnill and Original Style indicated that downstream retail pressures in the UK could increase the UK industry's vulnerability to injury were the measure to no longer apply to the goods subject to review.
377. They indicated that UK producers rely on independent retailers in order to sell much of their output.
378. They argue that independent retailers are dependent themselves on domestic and EU producers who are able to ship small volumes of highly diverse products by road.
379. They argue that were the anti-dumping measure to no longer apply to the goods subject to review, these would become available to UK retailers at relatively low prices. As these would have to be shipped in containers and by sea, this would favour large volumes of a relatively limited selection of goods per consignment.
380. Craven Dunnill, also an importer, indicated that even as a member of a tile buying consortia, it has struggled in the past to buy tiles in a volume that would make large sea-going consignments practicable. It argues that these consignments would likely be beyond the capacity of most independent retailers to handle.
381. Craven Dunnill argues that large multiple retailers with centralised warehouses and distribution networks would be able to handle these large consignments and that its centralised buying teams would be incentivised to seek out cheaper suppliers for its most common lines of tiles.
382. Craven Dunnill argue that this would lead to a further bifurcation of the market, with large multiple retailers being able to access the benefits of cheaper goods whilst independent retailers could not. This would lower the consumer price of



goods available through the larger retailers and lead to a disproportionate increase in their competitiveness and ultimately their market share.

383. As UK producers rely on independent retailers for much of their sales, a decline in the market share of small retailers would have a direct effect on the sales of the UK industry.

384. As such, if the measure were no longer applied to the goods subject to review, it is likely that the expected buying behaviour of large importers would increase the vulnerability of the UK industry to injury.

Upstream factors affecting the likelihood of injury

385. Meetings with Matclad, Craven Dunnill and Original Style have indicated that each rely on a supporting industry of suppliers and specialists, many of which are small and medium enterprises.

386. This supporting industry has shrunk in tandem with a decline in the broader ceramic industry and is dependent on remaining producers for continued survival.

387. Craven Dunnill and Original Style indicated that they have already had difficulty in sourcing specialist materials and expertise from within the UK.

388. They noted that if the UK industry were to decline due to injury, much the remaining support industry could become unsustainable and many of these small businesses would be forced to close. This would make remaining production more challenging and expensive as more materials and expertise would have to be sourced from abroad.

389. As such, if the measure were no longer applied to the goods subject to review, it is likely that the decline of the upstream support industry would make operating conditions for much of the remaining industry more difficult and would increase the vulnerability of the UK industry to injury.

G8. Conclusion on likelihood of injury assessment

390. In conducting this injury likelihood assessment, we confirmed that the UK industry does not produce 'large ceramic format tiles' or 'ceramic panels' as defined by BS5385-3:2014 save for where the differential relief on those products exceeds 3mm. We confirm that these goods have not contributed to



an assessment of injury to the UK industry were the anti-dumping measure no longer applied.

391. In conducting this injury likelihood assessment, we confirmed that the UK industry produce 'ceramic tiles' as defined by BS5385-3:2014. These formed the basis of our injury likelihood analysis.
392. In assessing the current state of the UK industry, we observed that:
- nine of the 15 factors positively indicated a vulnerability to injury were the anti-dumping measure to no longer apply to the goods subject to review,
 - six of the 15 factors returned a neutral indication of vulnerability to injury were the anti-dumping measure to no longer apply to the goods subject to review; and,
 - none of the 15 factors negatively indicated a vulnerability to injury were the anti-dumping measure to no longer apply to the goods subject to review.
393. We assess that the positive indicators combined with the lack of negative indicators contribute to an assessment that the UK industry is vulnerable to injury were the anti-dumping measure to no longer apply to the goods subject to review.
394. In considering other causes of injury, we did not identify any factors whose effect on the UK industry was so substantial so as to negate any findings of injury likelihood made in this assessment.
395. We concluded that during the IP, the effects of the COVID-19 pandemic, the wholesale cost of fuel and the effects of imports from third countries did contribute to the vulnerable state of the UK industry.
396. Despite limited imports from the PRC, we were able to undertake an undercutting analysis and found that undercutting had occurred during the IP and would be likely to continue were dumping from the PRC to recur.
397. The TRA assess that it is likely that this undercutting would suppress the prices of the UK industry.



398. Our analysis of domestic and international market conditions indicated that there was a large supply of ceramic tiles on the global export market during the IP and that UK demand grew whilst global demand appears to shrink.
399. We assess that the international supply and demand conditions during the IP would contribute to the vulnerability of the UK industry were the anti-dumping measure to no longer apply to the goods subject to review.
400. We assessed historic injury data and found that it did not contribute to our conclusions of the likelihood of injury recurring were the anti-dumping measure to no longer apply to the goods subject to review.
401. We assessed that the buying behaviour of large-scale importers would increase the vulnerability of the UK industry to injury were the anti-dumping measure to no longer apply to the goods subject to review.
402. We assessed that the decline in the upstream support industry contributes to the vulnerability of the UK industry to injury were the anti-dumping measure to no longer apply to the goods subject to review.
403. It is the considered view of the TRA that, given our assessment as to the likelihood of recurrence of dumping in **Section F: Likelihood of dumping assessment** above, and on the balance of probabilities, injury is likely to recur if the measure is no longer applied to the goods subject to review described as 'ceramic tiles' as defined by BS5385-3:2014.
404. It is also the considered view of the TRA that, given our assessment as to the likelihood of recurrence of dumping in **Section F: Likelihood of dumping assessment** above, and on the balance of probabilities, injury is not likely to recur if the measure were no longer applied to the goods subject to review described as 'large ceramic format tiles' or 'ceramic panels' as defined by BS5385-3:2014 (save for where the differential relief on those products exceeds 3mm) given the UK industry's inability to produce their equivalents.



SECTION H: Economic Interest Test (EIT)

H1 Introduction

405. Under Regulation 100A(2)(a) of the Regulations, if we make a recommendation to vary the application of the anti-dumping amount, we must be satisfied that this variation meets the EIT.
406. The aim of the EIT is to determine whether our recommendation to vary the measure and apply an anti-dumping remedy on the goods subject to review imported from the PRC is in the economic interest of the UK.
407. In accordance with paragraph 25(2) of Schedule 4 to the Act, the EIT is met in relation to the application of an anti-dumping remedy if the application of the remedy is in the economic interest of the United Kingdom.
408. In line with paragraph 25(4) of Schedule 4 to the Act, we have taken account of the following factors in conducting the EIT:
- the injury caused by the dumping of goods to the UK industry producing the like goods and the benefits to that UK industry in removing that injury;
 - the economic significance of affected industries and consumers in the UK;
 - the likely impact on affected industries and consumers in the UK;
 - the likely impact on particular geographic areas, or particular groups, in the UK;
 - the likely consequences for the competitive environment, and for the structure of markets for goods, in the UK; and
 - such other matters as the TRA considers relevant.

H2 Evidence base

409. We received questionnaire responses from:
- one producer of ceramic tiles in the UK, Johnson Tiles, a division of Norcros Group (Holdings) Limited;
 - one importer of ceramic tiles, Shackerley (Holdings) Group Limited; and
 - one trade association representing all sectors of the UK ceramics manufacturing industry, the BCC.
410. We have supplemented these submissions with background research and collated additional data and information from sources such as Companies



House, Dun & Bradstreet, ONS (Nomis) and HMRC (Overseas Trade in Goods Statistics and Find UK Traders tool).

H3 Injury caused by dumping and benefits to UK industry in removing injury

411. The injury likelihood assessment concluded that if the existing measure were to be revoked, injury to the UK industry would be likely to recur because of increased competition from lower-priced imports of ceramic tiles from the PRC.
412. It is expected that the proposed measure will prevent the recurrence of injury to UK industry.

H4 Economic significance of affected industries and consumers in the UK

413. This section sets out the relative size and economic significance of the relevant industries and consumers within the ceramic tiles supply chain.
414. We have identified the following groups as potentially being affected by the proposed measure:
- Upstream industries: this group includes suppliers of energy, raw materials and inputs, as well as packaging. Inputs to production of ceramic tiles include body materials and glaze materials.
 - UK producers of ceramic tiles.
 - Importers of ceramic tiles.
 - Downstream industries: this group includes retail and wholesale industry, as well as the construction industry.
 - Consumers: they include professional tile fixers and installers, as well as homeowners.
415. For each industry group we selected businesses to analyse economic significance. For selected businesses we collected financial accounts data from Companies House, and Dun & Bradstreet to calculate employment, Gross Value Added (GVA), Turnover, Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA), and the EBITDA margin.
416. Using available evidence, we assessed the financial vulnerability of each industry group, as well as the importance of ceramic tiles to them.



H4.1 Upstream industries

417. We identified 14 upstream businesses that supply raw materials and inputs to UK producers of ceramic tiles. Of these, we sampled four upstream businesses.
418. During the POI these sampled upstream businesses employed 451 workers, had a total GVA of circa £43m, turnover of £171m and an average EBITDA of £21m.
419. On average between 1% and 10% of sampled upstream businesses' turnover was linked to their sales to UK producers of ceramic tiles. Therefore, we concluded that ceramic tiles are somewhat important for upstream businesses.

H4.2 UK producers of ceramic tiles

420. Ceramic tiles produced in the UK are manufactured by Johnson Tiles, Original Style, Craven Dunhill, Ibstock, Matclad, Ketley and smaller artisan producers.
421. Out of eight known UK producers of ceramic tiles, we collected financial data for three for which full financial accounts data were available. Data for smaller artisan producers was unavailable therefore we were unable to sample them.
422. We estimated that during the POI these sampled UK producers employed 2,574 workers, had a GVA of circa £198m, turnover of £596m and an average EBITDA of £122m.
423. We received data from the questionnaire response submitted by one UK producer only. Using this data we assessed that ceramic tiles are a very important product for this UK producer.
424. No other UK producers submitted quantitative data that we could use to assess the importance of ceramic tiles to their business. We nonetheless believe that ceramic tiles are a very important product and a primary business activity for UK producers that are engaged in the manufacturing of ceramic tiles in the UK.

H4.3 Importers of ceramic tiles

425. Using the UK trader search tool of HMRC's UK Trade Info, we identified more than 2,000 businesses that recently imported ceramic tiles. It is likely that some of these importing businesses will be classed as Non-Established Taxable



Person (NETP), a business who is not resident in the UK, does not have a UK establishment and is not incorporated in the UK.

426. We used trader data from HMRC to identify the top ten UK importing businesses of ceramic tiles. The list of top ten UK importing businesses was based on the frequency score of imports.³⁹ From among the top ten UK importing businesses, we selected seven for our sample. This sample consists of businesses, for which we could find full financial accounts data. We excluded certain importers from our sample based on the nature of their principal business activities. In particular, we decided that certain importers fit the description of a downstream business better (for example, that of wholesale and retail suppliers).
427. Shackerley, who participated in this transition review and submitted evidence, is considered to be a small company, which is not required to submit full financial accounts to Companies House. This means that we could not include Shackerley in our sample of UK importers.
428. We estimated that the sampled UK importing businesses employed 727 workers, had a total GVA of circa £46m, turnover of £177m and an average EBITDA of £18m.
429. To estimate the importance of ceramic tiles to the sampled UK importing businesses, we used trader data from HMRC and looked at how prevalent import transactions involving ceramic tiles were among all transactions during the POI. We concluded that ceramic tiles were a very important product for UK importers of ceramic tiles because more than 20% of transactions involved imports of ceramic tiles.

H4.4 Downstream industries

430. The number of businesses comprising of downstream industries in the supply chain for ceramic tiles is likely to be large and varied in the nature and the size of their business: for example, large construction firms, large retailers, and small and independent tile shops and distributors.
431. We sampled eight businesses to analyse the economic significance of downstream industries. Often availability of full financial accounts data was a

³⁹ If a trader recorded a transaction of all five types of ceramic tiles (classified under the commodity codes 69072100, 69072200, 69072300, 69073000, 69074000) in every month of the POI, their frequency score of imports would be equal to 60 (i.e. 5 commodity codes x 12 months = 60).



constraint for our analysis because many tile shops buying and selling ceramic tiles are likely to be small and medium sized enterprises.

432. During the POI these sampled downstream businesses employed 63,313 workers, had a total GVA of circa £2,589m, turnover of £11,765m and an average EBITDA of £1,055m.

433. We found that ceramic tiles were not an important product to sampled downstream businesses as less than 1% of their turnover was related to purchases of ceramic tiles.

434. It is important to note that downstream buyers are a diverse group of industries: for certain downstream businesses (in particular, small independent tile shops and distributors for whom we were not able to collect full financial accounts data) ceramic tiles are likely to be an important product.

H4.5 Consumers

435. Ceramic tile consumers include homeowners as well as tile fixers and installers. We have no independently verified information on whether homeowners or tile fixers and installers are more prevalent among consumers (i.e. end-users) in the UK market for ceramic tiles.⁴⁰

H4.6 Summary table

436. **Table 19** presents data on the economic significance of different industries, which could be impacted by the measure on ceramic tiles.

437. Based on data, as discussed and as set out in the table, we find that ceramic tiles are an important product for the upstream industries, UK producers of ceramic tiles and importers of ceramic tiles. Ceramic tiles are not an important product for downstream industries, although there is likely to be variation between different downstream businesses.

⁴⁰ Topps Tiles plc states that their customer base is made up of both commercial professional fitters (60% of sales) and domestic DIY customers (40% of sales). See: Topps Tiles plc (2023) Annual Report and Accounts for the 52-Week Period Ended 1 October 2022, available at: <https://find-and-update.company-information.service.gov.uk/company/03213782/filing-history/MzM3MDk0MiU3OGFkaXF6a2N4/document?format=pdf&download=0>.



Table 19: Significance metrics for the UK stakeholders potentially affected by the proposed measure

	Upstream industries	UK producers of ceramic tiles	Importers of ceramic tiles	Downstream industries
Sample details				
Total known business	14	8	Large number (more than 2,000)	Large number
Number of businesses selected	4	3	7	8
Sample statistics ^{a)}				
Total employment	451	2,574	727	63,313
Total GVA (£m) ^{b)}	43	198	46	2,589
Total turnover (£m)	171	596	177	11,765
Total EBITDA (£m) ^{c)}	21	122	18	1,055
Average EBITDA margin (%) ^{d)}	12.2%	20.5%	10.2%	9.0%
Conclusions				
Economic vulnerability (financial data) ^{e)}	Low	High	Low	Low
Estimated importance of ceramic tiles to this group ^{f)}	Somewhat important	Very important	Very important	Not important

Source: Questionnaire responses submitted by interested parties to TRA; [Companies House](#), 2023; [Dun and Bradstreet](#), 2023; [HMRC, trader data](#), 2023.



Trade Remedies Authority

Notes:

- ^{a)} The significance metrics were derived by taking weighted average of financial data of the sampled businesses for accounting period that covered the POI. For example, where a business reported financial data for a 12-month accounting period ending 31 December 2021, and a 12-month accounting period ending 31 December 2022, we gave both accounting periods an equal weighting of 50% to construct POI-representative data (where the POI covers period from 1 July 2021 to 30 June 2022).
- ^{b)} GVA (Gross Value Added) was calculated as follows: $GVA = \text{operating profits} + \text{employment costs (total employees remuneration and total directors' remuneration)} + \text{depreciation} + \text{amortisation}$.
- ^{c)} EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) was calculated as follows: $EBITDA = \text{operating profit} + \text{depreciation} + \text{amortisation}$.
- ^{d)} EBITDA margin was calculated as follows: $EBITDA \text{ margin} = EBITDA / \text{turnover}$.
- ^{e)} Economic vulnerability is assessed using financial data of the sampled businesses, including profitability (EBITDA and EBITDA margin), turnover and employment, and relevant trends over the injury period (from 1 July 2018 to 30 June 2022) and in more recent period (using most recent financial data available).
- ^{f)} The estimated importance of ceramic tiles to each of the industry groups was estimated using the comparison metrics, including turnover of the sampled businesses, as well as value of purchases of raw materials and inputs of UK producers and value of sales of ceramic tiles of UK producers.



H5 Likely impact on affected industries and consumers

438. In this section we assess the overall impact that the proposed variation of the measure might have on the affected groups identified. We do this by looking at how prices and quantities of goods in the ceramic tiles supply chain might change under two scenarios: (i) if the measure was to be varied as proposed, and (ii) if the measure was to be revoked. The possible impacts for affected industries and consumers are then considered and compared across the two scenarios.

H5.1 Impact on prices and quantities if the measure was varied as proposed

439. If the measure was varied as proposed, we would expect prices of large ceramic format tile and ceramic panels from the PRC to fall and quantities imported to increase. This is because the description of the goods is being changed to exclude large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm), which are currently not manufactured in the UK.
440. We would not expect any changes to prices and quantities of other domestically produced and imported ceramic tiles (other than large ceramic format tile and ceramic panels) that would directly or indirectly relate to the trade remedy measure on ceramic tiles imported from the PRC. We also would not expect any changes on prices and quantities of upstream products and downstream products.
441. There could still be impacts on prices and quantities on products in the supply chain for ceramic tiles independent of the trade remedy measure. These impacts could be related to the UK economic performance: inflationary pressures could lead to higher prices of ceramic tiles and slow economic growth could lead to lower demand for ceramic tiles in the UK.

H5.2 Impact on prices and quantities if the measure was revoked

442. The measure that currently applies on ceramic tiles from the PRC is an *ad valorem* duty that ranges from 13.9% to 69.7%. If this duty no longer applied, prices of ceramic tiles imported from the PRC could fall by between 12.2% and 41.1%. Lower prices of ceramic tiles from the PRC are likely to result in higher



demand for these ceramic tiles and increased volume of imports from the PRC to the UK.

443. The likely fall in prices and increase in quantity demanded for ceramic tiles imported from the PRC are likely to exert downward pressure on prices of ceramic tiles produced in the UK and imported from third countries. It is not certain, however, that these prices will actually fall to match the lower prices of ceramic tiles from the PRC. The ability to match the lower prices of ceramic tiles from the PRC by UK producers and importers of ceramic tiles from third countries will depend on their costs and their profit margins. Demand for UK-produced ceramic tiles and imports from third countries is likely to decrease if these become relatively more expensive relative to imports from the PRC.
444. The likely impact on prices and quantities (demanded and supplied) of ceramic tiles will be determined by the size of elasticities: elasticity of demand, elasticity of substitution and elasticity of supply.⁴¹
445. If the measure was revoked, and if demand for UK-produced ceramic tiles goes down, this could also lower demand for and possibly prices of certain upstream products.
446. We do not expect that demand for and prices of downstream products (for example, kitchen and bathroom projects) will be significantly affected if the measure was revoked. Any benefits to downstream industries and consumers will depend on whether producers and importers will pass on lower prices of ceramic tiles (i.e. pass-through). Downstream industries and consumers already have a choice as to whether to use ceramic tiles from the UK, the PRC or third countries, or substitute products (including luxury vinyl tiles, wood, laminate, natural stone and carpet for floor, and with paint, wallpaper, panelling and mosaics for walls).

H5.3 Likely impacts on affected industries and consumers

⁴¹ Elasticity of demand will determine changes in overall quantity demanded in response to changes in prices. Substitution elasticity will determine changes in relative consumption of domestically produced and imported ceramic tiles as relative prices of these change. Elasticity of supply will determine suppliers' ability to alter supply in response to changes in prices. As an illustration, the US ITC have estimated these elasticities for the US: a) demand elasticity ranging from -0.75 to -1.25 (i.e. a moderately inelastic to moderately elastic demand); b) elasticity of substitution between domestically produced and imported ceramic tiles ranging from 4 to 6 (i.e. a high degree of substitutability); and c) supply elasticity ranging from 4 to 8 (i.e. a moderately elastic supply). We do not have evidence of the UK-specific elasticities of demand, substitution and supply, nor have we evidence to suggest that the UK-specific elasticities will be different from the US-specific elasticities. Limited amount of quantitative primary evidence that we received from questionnaire responses means that we are unable to use these estimates of elasticities to quantify and monetise the likely impact of the measure.



H5.3.1 Upstream industries

447. We have previously found that ceramic tiles are a somewhat important product for upstream industries. We have also found that upstream industries were not in an economically vulnerable position.
448. If the measure was varied as proposed rather than revoked this could have a positive impact on upstream industries, who will likely see continued demand for their products (raw materials and inputs, including glazes, minerals, packaging and energy) from the UK ceramic tiles industry.
449. We have no evidence to suggest that there could be any disproportionately negative economic impacts of the measure on any upstream industries in the UK.

H5.3.2 UK producers of ceramic tiles

450. The likely positive impacts on UK producers of ceramic tiles from the proposed variation of the measure derives from the reduction of the likelihood of recurrence of injury. This means that UK producers are likely to continue producing ceramic tiles and supplying them to the UK market.
451. We have previously assessed that UK producers of ceramic tiles are currently in an economically vulnerable financial position, so we consider it likely that UK producers could suffer from a likely recurrence of injury if the measure was revoked.
452. If the measure was revoked and if UK producers of ceramic tiles suffered from a recurrence of injury, this could lead to a worsening of their business' financial health, including lower turnover, lower profitability and profit margins, and could lead to a loss of jobs. In the worst-case scenario, if the measure was revoked, certain UK producers could decide to exit the UK market.
453. There is a concern that if certain UK producers exited the UK market, this could disrupt the existing supply chain for ceramic tiles in the UK. In particular, operations of upstream suppliers to UK producers of ceramic tiles (for example, suppliers of glaze) may no longer be economically viable. If this was the case, this could have a negative impact on those UK producers of ceramic tiles, who currently want to continue their UK operations and manufacturing of ceramic tiles in the UK.



H5.3.3 Importers of ceramic tiles

454. Using data for a sample of importing businesses, we have previously found that ceramic tiles are a very important product for UK importers. We, however, believe that there is likely to be heterogeneity between different importing businesses. In addition, we do not have any evidence to determine how the importance of ceramic tiles to UK importers differs depending on the country of origin of UK imports.
455. If the measure was varied as proposed, importers of large ceramic format tile and ceramic panels from the PRC would face reduced costs of importation. Importers of other ceramic tiles from the PRC would incur additional costs of importation compared to what they would incur if the measure was revoked. These costs of importation, however, will be unchanged compared to what these importers are paying currently. The costs of importation will be unchanged for businesses that import ceramic tiles from countries other than the PRC.
456. If the measure was revoked, this could have a positive impact on importers of ceramic tiles from the PRC, who would be more likely to see their business grow. There could also be entries of new businesses that specialise in sourcing and importation of ceramic tiles from the PRC to take advantage of new market opportunities arising from lower costs of trade with the PRC. These possible entries of new importing businesses could exert additional competitive pressure on importers of ceramic tiles from third countries. These importers could be impacted negatively by the revocation of the measure.

H5.3.4 Downstream industries

457. We recognise that variation of the measure could have a negative impact on downstream industries (construction industry, retail and wholesale industry), which will not benefit from lower-priced imports of ceramic tiles from the PRC unless they were buying large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm) . However, we do not consider it likely that the measure will have any disproportionately negative economic effects on downstream industries.
458. We recognise that there is likely significant variability between different downstream businesses in respect of how important ceramic tiles are to them. For example, ceramic tiles are likely to be important product for smaller and



independent retailers that sell only ceramic tiles as opposed to larger DIY retailers that also sell other building and construction products.

H5.3.5 Consumers

459. Ceramic tiles are a final consumer good, which are purchased by consumers (i.e. end-users, including homeowners, and tile fixers and installers). This means that the likely impacts of the measure on consumers are likely to be more pronounced than if the measure applied on an intermediate good.
460. The measure will entail additional costs on consumers of ceramic tiles, who will not benefit from lower-priced ceramic tiles from the PRC unless they were using large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm) . These additional costs, however, are not likely to translate to any disproportionately negative economic impacts on consumers of ceramic tiles, who will be able to use lower-priced alternatives and substitute products, including ceramic tiles imported from third countries.



Table 20: Expected impacts on affected groups if the measure was varied as proposed rather than revoked

Group	Expected impacts
Upstream industries	Positive impact on upstream industries because of continued demand for raw materials and inputs used in production of ceramic tiles.
UK producers of ceramic tiles	Positive impact because the measure prevents the recurrence of injury to domestic producers.
Importers of ceramic tiles	Negative impact on importers of ceramic tiles from the PRC, who will not benefit from being able to source lower-priced products. Potential positive impact on importers of ceramic tiles from third countries, who are otherwise likely to face more competition from importers of ceramic tiles from the PRC in the absence of the measure.
Downstream industries	Negative impact on downstream industries (construction, retail, installers), who will not benefit from being able to source lower-priced ceramic tiles from the PRC unless they were buying large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm).
Consumers	Negative impact on consumers, unless they were using large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm), but possibly mitigated by availability of lower-priced alternatives and substitute products (ceramic tiles imported from third countries, luxury vinyl tiles).



H6 Likely impact on particular geographic areas or particular groups in the UK

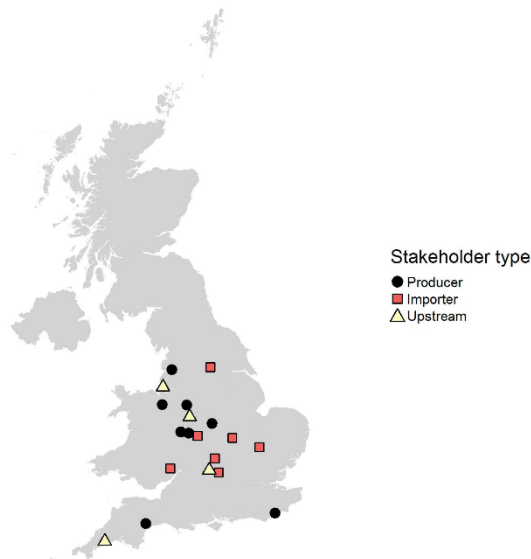
461. This section explores how impacts of the proposed measure are likely to be geographically distributed and whether any particular groups might be disproportionately impacted.

H6.1 Likely impact on particular areas

462. Stoke-on-Trent in the West Midlands is the home of the UK's ceramics industry. In addition, parts of Cornwall, Devon (both in the South West of England), Shropshire (in the West Midlands) and Sussex (in the South East of England) are where the ceramics industry (including its different parts of the supply chain) is concentrated in the UK. Figure 3 shows the distribution of businesses that form the supply chain for ceramic tiles in the UK.

Figure 3: Locations of UK businesses that are part of UK supply chain for ceramic tiles.

Locations of UK businesses that are part of UK Ceramic Tiles supply chain.



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Notes: This map shows location of all known UK producers of ceramic tiles, sampled UK importers of ceramic tiles and sampled upstream businesses. This map does not show location of downstream businesses, which are numerous and located in different parts of the UK.



463. Our analysis found that UK producers of ceramic tiles are currently located in the following Travel to Work Areas (TTWAs) of the UK: Stoke-on-Trent, Dudley, Exeter, Hastings, Leicester, Preston, Telford and Wrexham.
464. UK importers of ceramic tiles are numerous and are located in different parts of the UK. Our map only shows sampled most frequent UK importers of ceramic tiles.
465. Upstream businesses are also located in different parts of the UK, although we believe that often these businesses are likely to be in geographic proximity to UK producers of ceramic tiles. Sampled upstream businesses that we show on our map include these businesses that supply different types of raw materials and inputs.
466. To assess the likely geographic impact in our analysis we first considered the importance of the supply chain for ceramic tiles to individual local areas of the UK. To do this, we calculated what proportion of the local area's working-age population was employed in the supply chain for ceramic tiles. Where this proportion was more than 1% we concluded that supply chain for ceramic tiles is an important part of the local labour market.
467. For areas of the UK where the supply chain for ceramic tiles employed more than 1% of the local area's working-age population, we then considered socio-economic data to assess if the measure (if varied as proposed or if revoked) could have any disproportionately negative impacts of on these areas (for example, because these areas were economically vulnerable).
468. The stakeholders included in our analysis are limited to those identified during this review and therefore may not represent the complete ceramic tiles industry and related industries within the UK.
469. Although ceramics industry is important to Stoke-on-Trent, we found that the manufacturing of ceramic tiles is not important as a source of employment in Stoke-on-Trent.⁴² Employment in the wider supply chain for ceramic tiles, which includes all upstream suppliers and downstream buyers, accounts for a larger proportion of the working-age population in Stoke-on-Trent but we have no access to detailed employment data.

⁴² In our analysis, we used employment by industry data from the Business Register and Employment Survey (BRES) and working-age population data from the Annual Population Survey (APS), both datasets from the Office for National Statistics (ONS). We found that employment in manufacturing of ceramic tiles accounted for 0.18% of the working-age population in Stoke-on-Trent. We defined 'manufacturing of ceramic tiles' as consisting of the following 4-digit classes of the UK SIC 2007: '23.31 Manufacture of ceramic tiles and flags' and '23.32 Manufacture of bricks, tiles and construction products, in baked clay'.



470. We found that employment in the supply chain for ceramic tiles is only important (i.e. more than 1% of the working-age population) in St Austell and Newquay, where upstream supplier is located. Analysis of socio-economic data did not suggest that St Austell and Newquay is an economically vulnerable area of the UK. For this reason, we concluded that St Austell and Newquay is not likely to be disproportionately impacted if the measure was varied as proposed or revoked.

471. We concluded that any disproportionately negative impacts on any geographic areas of the UK are not likely.

H6.2 Likely impact on particular groups

472. We considered the likely impact on particular groups including those with protected characteristics as defined by the Equality Act 2010.

473. No party provided any evidence with respect to potential impacts on any particular groups, either as workers or consumers.

474. Therefore, there are no obvious impacts on groups with protected characteristics or other groups, which might result from varying the measure as proposed or revoking the measure.

H7 Likely consequences for the competitive environment and for the structure of markets for goods in the UK

475. The assessment of likely consequences for the competitive environment and structure of the UK market considers four areas:

- The impact on the number or range of suppliers;
- The impact on the ability of suppliers to compete;
- The impact on incentives to compete vigorously; and
- The impact on the choices and information available to consumers.

476. The UK market for ceramic tiles is fragmented: it consists of a small number of UK producers and a large number of importing businesses. We have obtained limited evidence, which we were not able to verify, on what market share were held by UK producers and UK importers.



477. We estimated that there were more than 2,000 importing businesses, which recently recorded import transactions involving ceramic tiles. We have no evidence to know how many of these businesses import ceramic tiles from the PRC, but we believe that this could be a relatively small proportion. This is because during the POI UK imports of ceramic tiles from PRC accounted for only 1% of total UK imports of ceramic tiles.

H7.1 Impact on the number and range of suppliers

478. If the measure was varied as proposed, the number and range of suppliers of ceramic tiles in the UK market could increase for suppliers of large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm) from the PRC and is likely to remain unchanged for other suppliers.

479. If the measure was revoked, there could be reorientation of UK consumption of ceramic tiles away from domestic supply and towards foreign supply from the PRC, as well as reorientation of UK imports away from third countries and towards the PRC.

480. This possible reorientation of UK consumption of ceramic tiles is likely to have an impact on the number and range of suppliers. Firstly, there could be some new entrants to the UK market: in particular, new importing businesses that import from the PRC. Secondly, existing importing businesses that currently import from third countries could import from the PRC. Thirdly, some UK producers could exit the UK market.

481. We assess that it is not likely that the overall number of suppliers of ceramic tiles in the UK market would change dramatically, with or without the measure. We also assess that it is not likely that the range of suppliers would change dramatically, with or without the measure, although there could be a distinction between short-term, medium-term and long-term impacts.

H7.2 Impact on the ability of suppliers to compete

482. If the measure was varied as proposed, the ability of suppliers of large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm) from the PRC to compete could increase, and is not likely to change for other suppliers.



483. If the measure was revoked, there is likelihood that dumping of ceramic tiles from the PRC and injury to the UK industry would recur. This would put UK producers and UK importers from third countries at a disadvantage as it would reduce their ability to compete relative to PRC exporters and UK importers from the PRC.

H7.3 Impact on incentives to compete vigorously

484. We do not foresee that it is likely that incentives to compete vigorously on the part of UK producers as well as UK importers will be in any way affected if the measure was varied as proposed or revoked.

H7.4 Impact on the choices and information available to consumers

485. If the measure was varied as proposed, the choices that are currently available to consumers are unlikely to change with the exception of large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm) from the PRC. The choices of large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm) from the PRC on the UK market are likely to increase.

486. If the measure was revoked, consumers would be likely to have a wider range of ceramic tiles from the PRC available to them, which are currently imported into the UK in small quantities.

487. We do not consider it likely that there would be any impact on information available to consumers, neither if the measure was varied as proposed nor if the measure was revoked.

H8 Such other matters as the TRA considers relevant

488. As part of the EIT, we consider any other factors additional to those set out in the legislation, which could have implications in concluding whether the proposed trade remedy measure is in the economic interest of the UK.

489. We found no evidence of any other relevant factors for this anti-dumping transition review and no evidence was submitted to us by interested parties.



H9 Forms of measure

490. In the EIT we consider the most appropriate form of measure to recommend, in particular, whether any changes to the length or coverage of the measure would minimise the negative impacts of the measure on some parties while retaining the overall benefits.
491. The measure applicable to the imports of ceramic tiles from the PRC is the *ad valorem* duty that ranges from 13.9% to 69.7%.⁴³
492. We have neither received nor found evidence suggesting that a change to the form of the measure would benefit the UK economy.

H10 Conclusion on Economic Interest Test

493. In accordance with paragraph 25 of the Schedule 4 to the Act, we consider whether the application of a remedy would be in the economic interest of the UK. The Economic Interest Test is presumed to be met unless we are satisfied that the application of the remedy is not in the economic interest of the UK.
494. Following the dumping and injury likelihood assessments, in sections F and G respectively, we have considered whether maintaining the existing measure would be in the economic interest of the UK.
495. In [the section setting out factors in relation to injury](#), we concluded that the revocation of the measure applicable to ceramic tiles imported from the PRC is likely to lead to a recurrence of injury to UK industry because of increased competition from lower-priced imports of ceramic tiles from the PRC.
496. In [the section regarding economic significance](#), we found that ceramic tiles are a very important product for UK producers and UK importers, as well as a somewhat important product for upstream businesses that supply raw materials and inputs to UK producers of ceramic tiles. We also found that ceramic tiles are not an important product for downstream businesses but we also recognised that downstream businesses are a diverse group.
497. In [the impacts on affected industries and consumers section](#), we concluded that if the measure was varied as proposed any disproportionately negative impact

⁴³ These *ad valorem* duty rates are detailed in [Annex 1](#).



on any affected industries and consumers are not likely. We, however, acknowledged that if the measure was varied as proposed rather than revoked, then importers, downstream businesses and consumers would not benefit from access to lower-priced ceramic tiles from the PRC, unless they were buying and using large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm). These affected industries and consumers could still access lower-priced alternatives and substitute products.

498. In [the section assessing the likely impacts on particular geographic areas and particular groups](#), we concluded that the measure is not likely to cause any disproportionately negative impacts on any particular geographic areas of the UK or any particular groups. We found that the supply chain for ceramic tiles is important as a source of employment in St Austell and Newquay.
499. In [the section on competition](#), we found that the market for ceramic tiles in the UK is fragmented and competitive. We concluded that the measure is not likely to cause any disproportionately negative impact on the competitive environment or the structure of the market in the UK.
500. We found no evidence of any [other relevant factors](#) for this anti-dumping transition review and no evidence was submitted to us by interested parties.
501. We have identified the following key positive impacts of varying the measure as proposed:
- The UK industry would benefit because the measure would prevent recurrence of injury to UK industry.
 - The measure would help to support the operation of the wider supply chain for ceramic tiles in the UK.
502. The contrasting key negative impacts are:
- With the exception of large ceramic format tile and ceramic panels (save for where the differential relief on those products exceeds 3mm), average prices of ceramic tiles from the PRC are likely to be higher than they are likely to be if the measure was revoked.
 - Importers, downstream industries (including wholesale and retail suppliers) and consumers (including homeowners, and tile fixers and installers) would not benefit from the ability to buy lower-priced ceramic tiles from the PRC, unless buying large ceramic format tile



and ceramic panels (save for where the differential relief on those products exceeds 3mm).

503. Based on our consideration of the evidence submitted by interested parties and all the factors listed in the legislation, we conclude that varying the measure as proposed is unlikely to cause any disproportionate negative effects to the UK economy and, therefore, that the EIT is met for the proposed measure.



SECTION I: Findings and proposed recommendations

I.1 Findings

504. The TRA has found that:

505. It is likely, on the balance of probabilities, that:

- dumping of ceramic tiles would recur if the anti-dumping amount were no longer applied to the goods subject to review, and
- injury to UK industry would recur if the anti-dumping amount were no longer applied to the goods subject to review that fall within the description of 'ceramic tiles' as defined by BS5385-3:2014, but
- injury to the UK industry would not recur if the anti-dumping amount were no longer applied to the goods subject to review that fall with the description of 'large ceramic format tiles' or 'ceramic panels' as defined by BS5385-3:2014 save for where the differential relief on those products exceeds 3mm, and;
- it is in the economic interest of the UK for the measure to be varied as proposed.

I.2 Intended Final Recommendation

506. In accordance with regulation 100(1) of the Regulations, the TRA must make a recommendation, following a transition review, to vary or revoke the application of the anti-dumping amount to the relevant goods.

507. We intend to recommend variation of the application of the anti-dumping amount under regulations 100(2)(a)(i) and 100A of the Regulations, so that it applies to the goods subject to review imported from the PRC into the UK and described as 'ceramic tiles' by BS5385-3:2014 (see paragraph 113-115 above) until 24 November 2027 – that is five years subsequent to the date when the measure would have expired (24 November 2022) had no transition review been initiated.⁴⁴

508. We also intend to recommend partial revocation of the measure pursuant to regulations 100(2)(a)(ii) and 100B of the Regulations on 'large ceramic format tiles' and 'ceramic panels' as defined by BS5385-3:2014, save for where the

⁴⁴As detailed in [Taxation Notice 2020/18](#). See also 97C of the Regulations.



differential relief on those products exceeds 3mm, originating in the PRC (see **Section D: The goods and the like goods**), from 24 November 2022 in accordance with regulations 100(2)(a)(ii), 100B, 94(1)(b)(ii) and 97C(1)(a) and (2) of the Regulations.

509. The TRA intend to recommend “finishing ceramics” be added to, and “glazed and unglazed” be removed from the description of the goods subject to review, so that the measure reflects the description of the goods contained within commodity code 6907 of the UK Trade Tariff and the corresponding WCO HS code.
510. We additionally intend to recommend variation of the description of the goods subject to review so as to exclude from the measure product that is not manufactured in the UK.
511. The description of the goods in the intended final recommendation, as varied, now reads as follows:
- “Ceramic flags and paving, hearth or wall tiles; ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics
- except single tiles,
- the largest surface area of which exceeds 0.36m², and
 - the differential relief of the largest surface of which does not exceed 3mm.”
512. **Annex 1** specifies the current UK duty rates for the good subject to review. We intend to recommend maintaining the anti-dumping amounts applicable to the goods subject to review originating in the PRC, as it has not been possible to recalculate those amounts.



Annex 1: Applicable rates of duty⁴⁵

Overseas Exporter	Anti-dumping duty rate (<i>ad valorem</i>)	Definitive anti-dumping duty additional code ⁴⁶
Dongguan City Wonderful Ceramics Industrial Park Co., Ltd	32.0%	B938
Guangdong Jiamei Ceramics Co., Ltd	32.0%	B938
Qingyuan Gani Ceramics Co. Ltd	13.9%	B939
Foshan Gani Ceramics Co. Ltd	13.9%	B939
Guangdong Xinruncheng Ceramics Co. Ltd	29.3%	B009
Shandong Yadi Ceramics Co Ltd	36.5%	B010
Dongguan He Mei Ceramics Co. Ltd	30.6%	B132
Dongpeng Ceramic (Qingyuan) Co. Ltd	30.6%	B133
Eagle Brand Ceramics Industrial (Heyuan) Co. Ltd	30.6%	B134
Enping City Huachang Ceramic Co. Ltd	30.6%	B135
Enping Huiying Ceramics Industry Co. Ltd	30.6%	B136
Enping Yungo Ceramic Co. Ltd	30.6%	B137
Foshan Aoling Jinggong Ceramics Co. Ltd	30.6%	B138
Foshan Bailifeng Building Materials Co. Ltd	30.6%	B139
Foshan Bragi Ceramic Co. Ltd	30.6%	B140
Foshan City Fangyuan Ceramic Co. Ltd	30.6%	B141
Foshan Gaoming Shuncheng Ceramic Co. Ltd	30.6%	B142
Foshan Gaoming Yaju Ceramics Co. Ltd	30.6%	B143
Foshan Guanzhu Ceramics Co. Ltd	30.6%	B144
Foshan Huashengchang Ceramic Co. Ltd	30.6%	B145
Foshan Jiajun Ceramics Co. Ltd	30.6%	B146
Foshan Mingzhao Technology Development Co. Ltd	30.6%	B147
Foshan Nanhai Jingye Ceramics Co. Ltd	30.6%	B148
Foshan Nanhai Shengdige Decoration Material Co. Ltd	30.6%	B149
Foshan Nanhai Xiaotang Jinzun Border Factory Co. Ltd	30.6%	B150
Foshan Nanhai Yonghong Ceramic Co. Ltd	30.6%	B151
Foshan Oceanland Ceramics Co. Ltd	30.6%	B152
Foshan Oceano Ceramics Co. Ltd	30.6%	B153
Foshan Sanshui Hongyuan Ceramics Enterprise Co. Ltd	30.6%	B154
Foshan Sanshui Huiwanjia Ceramics Co. Ltd	30.6%	B155
Foshan Sanshui New Pearl Construction Ceramics Industrial Co. Ltd	30.6%	B156
Foshan Shiwang Eagle Brand Ceramic Co. Ltd	30.6%	B157
Foshan Shiwang Yulong Ceramics Co. Ltd	30.6%	B158
Foshan Summit Ceramics Co. Ltd	30.6%	B159

⁴⁵ As we have been unable to recalculate dumping margins and injury margins in this transition review, these duty rates reflect the definitive anti-dumping duty rates applied by [EU Commission Implementing Regulation \(EU\) 2017/2179 of 22 Nov 2017](#), the current UK duty rates for goods subject to review as detailed in the [Taxation Notice](#), and the rates intended to be recommended as a result of this review.

⁴⁶ From 1 January 2021, the UK initiated a new tariff regime entitled the UK Global Tariff (UKGT) to replace EU TARIC codes. The codes listed relate to the transitioned measure.



Trade Remedies
Authority

Foshan Tidiy Ceramics Co. Ltd	30.6%	B160
Foshan VIGORBOOM Ceramic Co. Ltd	30.6%	B161
Foshan Xingtai Ceramics Co. Ltd	30.6%	B162
Foshan Zhuyangyang Ceramics Co. Ltd	30.6%	B163
Fujian Fuzhou Zhongxin Ceramics Co. Ltd	30.6%	B164
Fujian Jinjiang Lianxing Building Material Co. Ltd	30.6%	B165
Fujian Mingqing Jiali Ceramics Co. Ltd	30.6%	B166
Fujian Mingqing Ruimei Ceramics Co. Ltd	30.6%	B167
Fujian Mingqing Shuangxing Ceramics Co. Ltd	30.6%	B168
Gaoyao Yushan Ceramics Industry Co. Ltd	30.6%	B169
Guangdong Bode Fine Building Materials Co. Ltd	30.6%	B170
Guangdong Foshan Redpearl Building Material Co. Ltd	30.6%	B171
Guangdong Gold Medal Ceramics Co. Ltd	30.6%	B172
Guangdong Grifine Ceramics Co. Ltd	30.6%	B173
Guangdong Homeway Ceramics Industry Co. Ltd	30.6%	B174
Guangdong Huiya Ceramics Co. Ltd	30.6%	B175
Guangdong Juimsi Ceramics Co. Ltd	30.6%	B176
Guangdong Kaiping Tilee's Building Materials Co. Ltd	30.6%	B177
Guangdong Kingdom Ceramics Co. Ltd	30.6%	B178
Guangdong Monalisa Ceramics Co. Ltd	30.6%	B179
Guangdong New Zhong Yuan Ceramics Co. Ltd Shunde Yuezhong Branch	30.6%	B180
Guangdong Ouya Ceramics Co. Ltd	30.6%	B181
Guangdong Overland Ceramics Co. Ltd	30.6%	B182
Guangdong Qianghui (QHTC) Ceramics Co. Ltd	30.6%	B183
Guangdong Sihui Kedi Ceramics Co. Ltd	30.6%	B184
Guangdong Summit Ceramics Co. Ltd	30.6%	B185
Guangdong Tianbi Ceramics Co. Ltd	30.6%	B186
Guangdong Winto Ceramics Co. Ltd	30.6%	B187
Guangdong Xinghui Ceramics Group Co. Ltd	30.6%	B188
Guangning County Oudian Art Ceramic Co. Ltd	30.6%	B189
Guangzhou Cowin Ceramics Co. Ltd	30.6%	B190
Hangzhou Nabel Ceramics Co. Ltd	30.6%	B191
Hangzhou Nabel Group Co. Ltd	30.6%	B192
Hangzhou Venice Ceramics Co. Ltd	30.6%	B193
Heyuan Becarry Ceramics Co. Ltd	30.6%	B194
Guangdong Luxury Micro-crystal stone Technology Co., Ltd	30.6%	B195
Hitom Ceramics Co. Ltd	30.6%	B196
Huiyang Kingtile Ceramics Co. Ltd	30.6%	B197
Jiangxi Ouya Ceramics Co. Ltd	30.6%	B198
Jingdezhen Tidiy Ceramics Co. Ltd	30.6%	B199
Kim Hin Ceramics (Shanghai) Co. Ltd	30.6%	B200
Lixian Xinpeng Ceramic Co. Ltd	30.6%	B201
Louis Valentino (Inner Mongolia) Ceramic Co. Ltd	30.6%	B202
Louvrenike (Foshan) Ceramics Co. Ltd	30.6%	B203
Nabel Ceramics (Jiujiang City) Co. Ltd	30.6%	B204
Ordos Xinghui Ceramics Co. Ltd	30.6%	B205



Trade Remedies
Authority

Qingdao Diya Ceramics Co. Ltd	30.6%	B206
Qingyuan Guanxingwang Ceramics Co. Ltd	30.6%	B207
Qingyuan Oudian Art Ceramic Co. Ltd	30.6%	B208
Qingyuan Ouya Ceramics Co. Ltd	30.6%	B209
RAK (Gaoyao) Ceramics Co. Ltd	30.6%	B210
Shandong ASA Ceramic Co. Ltd	30.6%	B211
Shandong Dongpeng Ceramic Co. Ltd	30.6%	B212
Shandong Jialiya Ceramic Co. Ltd	30.6%	B213
Shanghai CIMIC Holdings Co., Ltd	30.6%	B214
Sinyih Ceramic (China) Co. Ltd	30.6%	B215
Sinyih Ceramic (Penglai) Co. Ltd	30.6%	B216
Southern Building Materials and Sanitary Co. Ltd of Qingyuan	30.6%	B217
Tangshan Huida Ceramic Group Co. Ltd	30.6%	B218
Tangshan Huida Ceramic Group Huiquin Co. Ltd	30.6%	B219
Tegaote Ceramics Co. Ltd	30.6%	B220
Tianjin (TEDA) Honghui Industry & Trade Co. Ltd	30.6%	B221
Topbro Ceramics Co. Ltd	30.6%	B222
Xingning Christ Craftworks Co. Ltd	30.6%	B223
Zhao Qing City Shenghui Ceramics Co. Ltd	30.6%	B224
Zhaoqing Jin Ouya Ceramics Company Limited	30.6%	B225
Zhaoqing Zhongheng Ceramics Co. Ltd	30.6%	B226
Zibo Hualiansheng Ceramics Co. Ltd	30.6%	B227
Zibo Huaruino Ceramics Co. Ltd	30.6%	B228
Shandong Tongyi Ceramics Co. Ltd	30.6%	B229
Onna Ceramic Industries (China) Co., Ltd	30.6%	B293
Everstone Industry (Qingdao) Co., Ltd	30.6%	B998
All other companies	69.7%	B999



Annex 2: Information from participants in the review

UK industry

Party	Submission(s)
Johnson Tiles	Statement of Reasons
Shackerley	Questionnaire Response

PRC industry

Party	Submission(s)
Overland	Questionnaire Response
	Additional Submission

Foreign governments

Party	Submission(s)
MOFCOM	Comment on PMS

Trade bodies

Party	Submission(s)
BCC	Questionnaire Response
	Submission
CCCMC	Questionnaire Response
	Response to Note to File
	Response to two recent notes



Contributors

Party	Submission(s)
Original Style	Note to File
	Letter
Matclad	Note to File
Craven Dunnill	Note to File
Ibstock	Note to File
Ketley	Note to File
Forterra	Note to File
Distribution Supplies	Statement