



Trade Remedies  
Authority

## **Statement of Essential Facts**

**Case NE0024**

**New Exporter Review of anti-dumping duties on electric bicycles originating in the People's Republic of China**

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## Introduction

1. Under Regulation 71(1) of The Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019, (“the Regulations”) the TRA may conduct a New Exporter Review (NER). The object of the review is to consider whether the application of an anti-dumping amount and/or a countervailing amount to goods should be varied in the case of a new exporter.
2. In accordance with Regulation 71(2) of the Regulations, as read with regulation 94B(2)(a), a new exporter is “an overseas exporter that did not export the goods subject to review into the EU during the period of investigation in respect of which the application of the relevant anti-dumping amount or countervailing amount is based”.
3. The goods subject to review in question are electric bikes exported from China. The EU initially imposed anti-dumping and countervailing duties under [Commission Implementing Regulation \(EU\) 2019/73](#) on 17 January 2019.
4. On 31 December 2020 the UK transitioned the EU measure above into UK law – see [Notice of Determination 2020/24](#) and [Taxation Notice 2020/24](#).
5. On 8 April 2022, the TRA received an application for a NER (“the Application”). The application was from two Chinese bike exporters: Jinhua Otmar Technology Co Limited, PRC (“Otmar”) and Jinhua Seno Technology Co Limited, PRC (“Seno”) (together “the applicants”). They have made a single NER application to the TRA despite being separate companies. This has been accepted by the TRA on the basis that they are related entities. They are applying for a variation of the anti-dumping amount alone.
6. On 23 June 2022, the Trade Remedies Authority (TRA) accepted the application and initiated a NER under regulation 67(3) of the Regulations to consider whether the anti-dumping amount should be varied in the case of Otmar and Seno. The [Notice of Initiation](#) (“NOI”) of this NER was published on 23 June 2022.
7. This Statement of Essential Facts (SEF) is made under regulation 62 of the Regulations and sets out those facts which form the basis of the TRA’s intended recommendation to the Secretary of State for International Trade in relation to this NER. It should be read in conjunction with the documents available for this case on the [public file](#).
8. Interested parties are invited to make submissions in response to the SEF within 21 calendar days of publication of this SEF, i.e., before midnight on 9 September 2022. The TRA may consider submissions made after this date, but it is not obliged to do so if this would cause an unnecessary delay in preparing

the final recommendation. Where we reject information for any reason, we will publish our reasons for rejection in our final recommendation.

9. Registered interested parties to the case can make submissions on the [Trade Remedies Service](#) (TRS) online platform. These 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, a “statement of reasons” must be provided.

### **About this review**

10. This review concerns a request from the applicants to be considered as new exporters and for the non-sampled overseas exporter anti-dumping rate to be applied to the goods subject to review, in accordance with regulations 71(4) and 94(2)(b) of the Regulations.
11. The period of investigation (POI) for this review is 1 June 2021 to 31 May 2022.
12. The applicants for the review are:
  - Jinhua Otmar Technology Co Limited, PRC (“Otmar”)  
101, Unit 1, Building 16, No 168 Kechang Road, Qiubin Street Wucheng District, Jinhua City, Zhejiang Province, PR China, 321016; and
  - Jinhua Seno Technology Co Limited, PRC (“Seno”)  
Unit 2, Building 16, No 168 Kechang Road, Qiubin Street Wucheng District, Jinhua City, Zhejiang Province, PR China, 321016.

### **Interested parties and contributors**

13. No parties other than the applicants registered to participate in the review.

### **The Goods Subject to Review**

14. The goods subject to review in this NER are defined in the NOI as:

“Cycles, with pedal assistance, with an auxiliary electric motor”.
15. The goods include 2, 3 and 4 wheeled cycles. The definition in the EU case, UK Taxation Notice and United Kingdom Global Tariff (UKGT) codes cover cycles, including 2, 3 and 4-wheeled cycles.

16. The goods subject to review are subject to the following tariff classifications:

87 11 60 10 00

87 11 60 90 10

### **New Exporter requirements**

17. The TRA considered whether the applicants met the following criteria for new exporters, as set out in regulation 71(2) and (3) of the Regulations, namely that they:

- did not export the goods subject to review to the EU during the EU's POI (1 October 2016 – 30 September 2017) (EU POI) on which the current measure is based;
- are not related to an overseas exporter who is subject to the current measure and who exported the good(s) subject to review to the EU during the POI on which the current measure is based and
- are exporting the goods to the UK or have a contractual obligation to export a significant quantity to the UK.

### **Goods exported to the UK by the applicants**

18. The applicants provided proof of exporting the goods subject to review by providing copies of bill of lading and commercial invoices on sales to the UK, which described the goods exported as "electric tricycle".

19. Otmar's website shows that the goods that they have for sale fall within the description of Cycles, with pedal assistance, with an auxiliary electric motor and meet the criteria of the goods subject to the measure.

20. Seno has no online presence, so the TRA considered the web page of a key importer of Seno's product. The importer's web page shows they sell electric tricycles both at 250w and 500w. The goods advertised are identical to the goods produced by Seno and fall within the description of the goods subject to the measure.

21. The TRA considered the UKGT code description of the good (8711601000 & 8711609010) and it matches the good exported. UK trade info web data confirms that the goods are subject to the measure. "Bicycle, tricycle or quadricycle with pedal assistance fitted with an electric motor." 871160 10 00 limits the output of the electric motor to 250W, however, 871160 90 10 does not limit the electric motor power output.

22. The TRA is satisfied that the goods Otmar and Seno are exporting, are the goods subject to review.

## **Previous export activities**

23. To be considered a new exporter, the review applicant must not have exported the goods subject to review to the EU during the EU POI on which the current measure is based. The EU POI of the investigation following which the anti-dumping amount was implemented is 1 October 2016 to 30 September 2017.
24. The TRA has considered whether Otmar and Seno exported into the EU, during the EU POI. Otmar and Seno have provided statements detailing when they were both established, together with supporting evidence. The applicants have provided evidence in the form of [PRC establishment](#) certificates. These corroborate the dates of incorporation, to confirm that Otmar was established on 25 May 2018 and Seno was established on 8 September 2021, after the EU POI ended on 30 September 2017.
25. TRA enquires into Otmar showed that, on public facing web sites, Otmar claimed to hold 10 years' research and development and export experience. This appeared to contradict the incorporation dates. However, TRA enquires showed that this was director experience rather than company experience. This was confirmed by the applicant via email.
26. The TRA is satisfied that the applicants were incorporated after the EU POI expiry date of 30 September 2017, and therefore did not export the goods to the EU during the EU POI on which the current measure is based.

## **Relation to other companies subject to the measure**

27. To be considered a new exporter, the review applicant must not be related to any overseas exporter that is subject to the anti-dumping measure and who exported the goods subject to review to the EU during the EU POI.
28. The application from Otmar and Seno includes signed statements to confirm that the applicants are not related to any Chinese exporter who is subject to the current measure on electric bicycles into the EU.
29. Details of Otmar's and Seno's directorship and share ownership was provided in the application. This was reviewed by the TRA. The TRA researched the names of the directors and shareholders of the applicants together with the exporters cited in the EU case through the companies' websites. The TRA cross-referenced the following: phone numbers, addresses, products (via web pages) and proximity to other producers. There was no evidence found of any relationship with an existing company subject to the measure.
30. The TRA is satisfied that the applicants are not related to any company that is subject to the current measure and that exported the goods subject to review to the EU during the EU POI on which the current measure is based.

## **Export activities**

31. To be considered a new exporter, the review applicant must be exporting the goods subject to review to the UK or have a contractual obligation to export a significant quantity to the UK.
32. Otmar provided a recent bill of lading (including packing list and commercial invoice) dated October 2021 in respect of export sales of the goods subject to review to the UK. Seno provided a recent bill of lading (including packing list and commercial invoice) dated November 2021 in respect of export sales of the goods subject to review to the UK. Both applicants sold their goods to the same UK importer.
33. Both sales were in the POI of the current review, and after the conclusion of the EU POI.
34. According to the commercial invoices provided, the goods are described as “electric tricycle”.
35. Otmar has provided a confidential written response to our question on their anticipated export sales to the UK and they anticipate continued sales.
36. Seno has provided a confidential written response to our question on their anticipated sales and they are expecting sales of tricycles to continue.
37. The TRA considers the sales to be commercially significant shipments and not “sample sales”. This is based on commercially sensitive information.
38. The TRA has verified evidence that Otmar and Seno are exporting to the UK and that the export level is significant, not a sample. The TRA, therefore, considers the applicants to be exporting to the UK.

## **Preliminary Findings and Intended Recommendation**

### **Preliminary findings**

39. The TRA considers that Otmar and Seno:
  - were established after the expiry of the EU POI on 30 September 2017 and therefore are new entities who didn’t export to the EU in the EU POI;
  - are not related to another company subject to the EU duty measure; and
  - have exported to the UK in the period after the EU POI expiry.

## **E2. Intended Recommendation**

40. Our intended recommendation to the Secretary of State for International Trade is:

- that Otmar and Seno are new exporters;
- that the non-sampled, co-operating overseas exporter anti-dumping amount of 16.2% (as detailed in Annex 2) should be applied to the applicants' goods and backdated to the initiation of the review on 23 June 2022.

41. Annex 1 specifies the duties to be maintained and applied to the goods described or imported under the above commodity codes by the applicants.



**Annex 1: Varied anti-dumping duties on the goods subject to review**

<b>Country</b>	<b>Company</b>	<b>Anti-dumping duty rate (%)</b>	<b>UKGT additional code</b>
<b>The People's Republic of China</b>	Jinhua Otmar Technology Co Limited, PRC	16.2%	8A11
<b>The People's Republic of China</b>	Jinhua Seno Technology Co Limited, PRC	16.2%	8A12

**Annex 2: EU anti-dumping duties imposed by EU Regulation 2019/73**

<b>Company</b>	<b>Anti-dumping duty rate (%)</b>	<b>UK GT additional code</b>
Bodo Vehicle Group Co., Ltd.	58.3	C382
Giant Electric Vehicle (Kunshan) Co., Ltd;	20.7	C383
Jinhua Vision Industry Co., Ltd and Yongkang Hulong Electric Vehicle Co., Ltd.	10.3	C384
Suzhou Rununion Motivity Co., Ltd.	62.1	C385
Yadea Technology Group Co., Ltd	37.4	C463
Other co-operating companies in the anti-dumping investigation, subject to the parallel countervailing duty for all other companies Implementing Regulation (EU) 2019/72)	16.2	-
Non-cooperating companies in the anti-dumping investigation, but co-operating in the parallel anti-subsidy investigation and listed in Annex 1 of the Implementing Regulation (EU) 2019/72 (Annex III)	70.1	-
All other companies	62.1	C999