



## Anti-dumping duties on High Fatigue Performance Rebar from the People's Republic of China

### Note to public file

30 September 2022

Following the publication of its Notice of Initiation on 29 April 2021, the Trade Remedies Authority (TRA) has been conducting a review of the anti-dumping measure transitioned by notice issued by the Department of International Trade on 31 December 2020, in respect of HFP Rebar originating in the People's Republic of China.

On 13 July 2022 the TRA published the Statement of Essential Facts (SEF)<sup>1</sup>. Following this publication, the TRA received comments from interested parties and contributors, which are available to view on the [public file](#).

#### Intended Final Recommendation

In receipt of the new evidence submitted and import data which has become available since the publication of the SEF, the TRA has updated the Economic Interest Test (EIT) assessment. The EIT had previously been determined not to have been met as described in the SEF. After careful consideration, the TRA has concluded that the overall impacts of the proposed measure are likely to be relatively small, but that the EIT is met in accordance with paragraph 25(2) of Schedule 4 to the Taxation (Cross-border Trade) Act 2018 (the Act), and, in conjunction with the SEF's initial conclusions with respect to the likelihood of Dumping and Injury occurring (which are unchanged), the TRA now proposes making a recommendation to vary the measure under regulations 100(1) and 100A of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (the Regulations). As it has not been possible to recalculate the anti-dumping amount, we propose making a recommendation to maintain the current anti-dumping amount under regulation 100A(4)(b) of the Regulations.

The key considerations, which together have now led us to be satisfied that the application of the anti-dumping amount meets the EIT, are outlined below:

#### 1) Supply of HFP Rebar

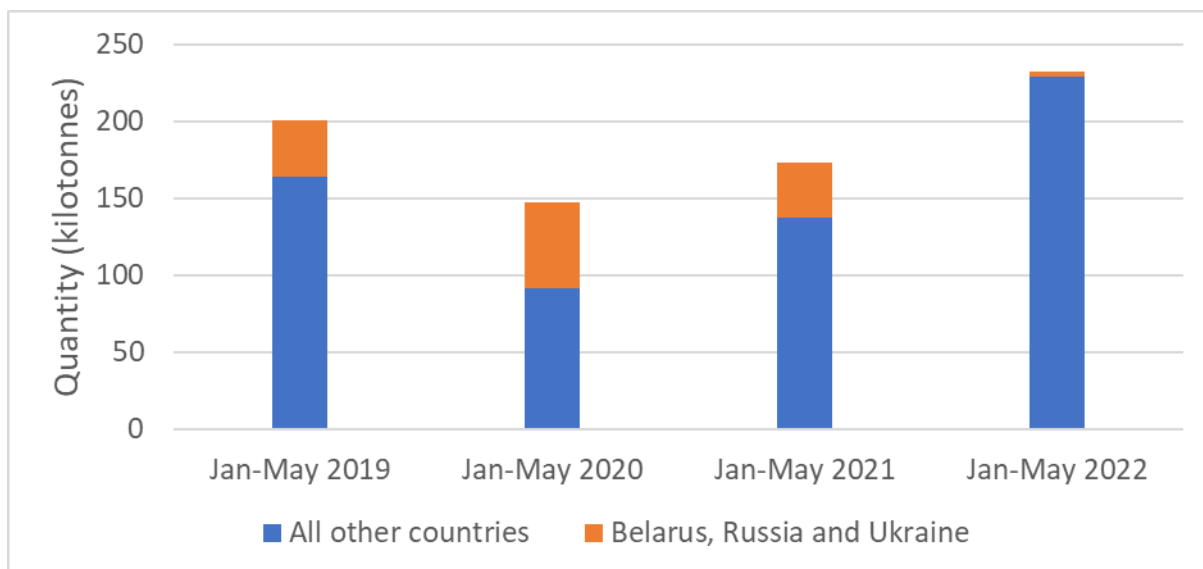
At the SEF stage, we identified a risk that the Russian Invasion of Ukraine may lead to a shortfall in supply of HFP Rebar in the UK as a result of significant reduction in imports from Russia, Belarus and Ukraine, which have historically been significant sources of HFP Rebar for the UK market.

Since the SEF was published, further import data has become available to allow us to assess whether that risk has materialised as the SEF anticipated. Chart 1 looks at imports to the UK of the Goods Subject to Review at the 8-digit commodity code level, over the period of January to May, from 2019 to 2022.

*Chart 1: Imports of Rebar in the first five months of each year\* (2019-2022)*

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<sup>1</sup> In accordance with Regulation 62 of The Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019



Source: HMRC UK Trade Info – date downloaded: 03/08/2022

\* Imports from the first five months of each year have been used because only data up to May 2022 was available and a monthly time series was too variable for the trend to be clearly seen.

The import data which has become available since the publication of the SEF, shows that imports from Russia, Ukraine and Belarus have fallen as anticipated, however these have been replaced by imports from other countries such as Portugal, Spain and Türkiye.

## 2) Demand for HFP Rebar

At the SEF stage, we identified that the demand for HFP Rebar within the UK domestic construction sector was likely to increase as it continued its post-Covid recovery, and it was unclear whether the UK producer would have the spare capacity to meet any potential rise in HFP Rebar orders.

However, recent forecasts for the construction sector and the UK economy as a whole have changed since the SEF analysis meaning that demand for HFP Rebar is unlikely to rise as we previously anticipated.

## Conclusion

In the SEF, we previously identified there could be an undersupply of HFP Rebar due to high demand and lower supply.

As outlined above, new evidence suggests that international supply has proven to be more resilient than we anticipated and the forecasts for demand look weaker. Therefore, we no longer consider undersupply of HFP Rebar to be likely. This means that we no longer consider it likely that the construction sector would be significantly affected by the proposed measure.

We therefore conclude that maintaining the measure is in the economic interests of the UK, and we intend to recommend varying the measure under regulations 100(1) and 100A of the Regulations. As it has not been possible to recalculate the dumping amount, we propose maintaining the measure under regulation 100A(4)(b) of the Regulations.

## Other Evidence

Other submissions which provided representations in response to the SEF have been assessed and will be taken account of in the Final Recommendation.

## Next Steps

Should you have any questions or comments, please contact us via the Trade Remedies Service or at [TD0010@traderemedies.gov.uk](mailto:TD0010@traderemedies.gov.uk) **by 14 October 2022 at 17:30 hours GMT.**

We may consider submissions made after this date, but we are not obliged to do so if we believe it would cause an unnecessary delay. Where we reject information for any reason, we will publish our reasons for rejection in our final recommendation.