



Trade Remedies
Authority

Statement of Essential Facts

Case TS0009

Transition review of countervailing duties on imports of certain continuous filament glass fibre products originating in the People's Republic of China

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SECTION A: Introduction

1. This section summarises the legal framework for this Statement of Essential Facts (SEF) and the Trade Remedies Authority (TRA)'s findings. The background to the review and further detail on all aspects are set out in the body of the report.
2. This statement sets out the essential facts on which the TRA has relied when providing its intended final recommendation. It should be read in conjunction with other public documents available for this case on the [public file](#).
3. Until June 2021, the UK's trade remedies investigations functions were carried out by the Trade Remedies Investigations Directorate (TRID) as part of the UK Department for International Trade (DIT). On 1 June 2021, the TRA was formally and legally established as an independent arm's-length body of DIT. The SEF will refer to 'the TRA' to cover all our activities associated with this transition review, both before and after our establishment as the TRA.
4. The purpose of this SEF is to inform interested parties of the essential facts established during this review and allow them to make submissions in response.
5. Interested parties are invited to make submissions in response to the SEF within 30 calendar days of this SEF, i.e. before midnight on **20th May 2022**. The TRA may consider submissions made after this date, but please note that it is not obliged to do so if we believe this would cause an unnecessary delay in preparing the final recommendation (FR). Where we reject information for any reason, we will publish our reasons for rejection in our FR. Registered interested parties to the case can make submissions on the Trade Remedies Service online platform (TRS). These submissions must be accompanied by a non-confidential version of the 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'.¹ Those not registered on the TRS may send submissions by email to TS0009@traderemedies.gov.uk.
6. For further guidance and information regarding transition reviews, please see our [public guidance](#).

¹ A 'statement of reasons' means a statement setting out the reasons of a person supplying information to the TRA, explaining why summarisation of confidential information is not possible, as defined under Regulation 45(6)(b) of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019

A1. Legal framework

7. This SEF is made pursuant to regulation 62 of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (as amended) (the Regulations). It includes:
- the recommendation that the TRA intends to make;
 - a summary of the facts considered during the transition review; and
 - details of the analysis forming the basis of the intended recommendation.

A2. About this review

8. This is a transition review of a UK trade remedy measure under regulation 97 of the Regulations. This UK measure gives effect to the European Union (EU) Commission Implementing Regulation (EU) No 1379/2014.²
9. This review concerns countervailing duties on imports of certain continuous filament glass fibre products (GFR) originating in the People's Republic of China, as set out in Taxation Notice 2020/08.³ The Notice of Initiation (NOI) was published on 29 January 2021. The scope of the measure transitioned by this review, as detailed within the NOI, is defined in [Section B2. Scope](#).
10. The Period of Investigation (POI) for the review was 1 January 2020 to 31 December 2020. To assess injury, we examined the period 1 January 2017 to 31 December 2020, the Injury Period (IP).

² European Union (EU) Commission Implementing Regulation (EU) 1379/2014 of 16 December 2014: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2014_367_R_0006&from=EN

³ [Taxation notice 2020/08: countervailing duty on certain filament glass fibre products originating in the People's Republic of China - GOV.UK \(www.gov.uk\)](#)

SECTION B: Summary and Findings

B1. Interested parties and Contributors

11. The following interested parties provided a questionnaire response:

- Electric Glass Fiber UK Ltd., (EGF UK), a domestic producer
- Brett Martin Daylight Systems Ltd, (BMDS), an importer
- Jiangsu Changhai Composite Materials Holding Co., (Jiangsu), a PRC producer
- Changzhou New Changhai, (New Changhai), a subsidiary PRC producer
- Changzhou Tianma, (Tianma), a subsidiary PRC producer

12. The following parties registered as contributors to the case, and provided questionnaire responses:

- Filon Products Limited, (Filon), a downstream user of the like good
- British Glass, a Trade Association
- Composites UK, a Trade Association

B2. Scope

13. As set out in the NOI, the scope of the transitioned measure is:

“Chopped glass fibre strands, of a length of not more than 50 mm.

Glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887).

Mats made of glass fibre filaments excluding mats of glass wool.”

14. The TRA received a submission on scope from BMDS requesting that multi-end rovings be removed from the measure. An additional request for information on scope was published and the following interested parties responded:

- BMDS

- EGF UK
 - Jiangsu
 - Filon
15. Following receipt of these submissions, the TRA has assessed the scope of the transition review under regulations 99A(2)(a)(iii) and 74 of the Regulations. This assessment included a comparison of multi-end and single-end rovings across a range of factors as part of an assessment of how alike these goods are. [The impact of a change in scope on the intended effects of the countervailing amount and whether it would cause prejudice to the interests of any interested parties or contributors was also assessed.](#) This assessment is set out in [Section D: The Goods.](#)
 16. The TRA received a number of submissions on the inclusion of multi-end rovings in the final measure. We have concluded that multi-end and single-end rovings are sufficiently similar to remain in scope for the purposes of the transition review, despite differences in potential end uses, as we are satisfied there is potential for multi-end rovings to replace single-end in some areas of the UK market. On this basis, the scope of the transition review has not been amended to remove multi-end rovings from the measures.
 17. The TRA has determined that the description of the goods to which the measure applies should be varied to exclude mats. Mats are not produced in the UK, and no submissions have been received in relation to keeping mats within the scope of the measure. [The potential impacts of this removal have been considered, and in considering how alike the goods are, no areas of interchangeability between mats and the goods produced in the UK have been found. The TRA has therefore concluded that mats are not able to replace any of the goods made by the UK industry in any area of the market.](#) This determination is set out in [Section D: The Goods.](#)

B3. Consideration of whether the countervailing amount is necessary or sufficient to offset the importation of subsidised goods

18. Under regulation 99A(1)(a) of the Regulations, we are required to consider whether the application of the countervailing amount is necessary or sufficient to offset the importation of the goods subject to review.
19. During the POI, there were imports of the goods subject to review into the UK. However, we did not receive sufficiently detailed data in relation to these imports to determine definitively whether the measure is necessary or sufficient to offset the importation of the subsidised goods subject to review.

20. Without sufficient data regarding the importation of the subsidised goods we do not consider it possible to recalculate the countervailing amount under regulation 99A(2)(a)(i) of the Regulations.
21. Therefore, to determine whether the measures should be varied or revoked, we have considered the likelihood that injury would occur if the measures were no longer applied, in accordance with regulation 99A(1)(b) of the Regulations.
22. Under regulations 99A(2)(a)(iii) and 70(6) of the Regulations, we have also considered the likelihood that importation of the relevant subsidised goods would occur if the measures were no longer applied.

B4. Likelihood of subsidised imports assessment

23. In accordance with regulations 99A(2)(a)(iii) and 70(6) of the Regulations we assessed the likelihood that importation of the relevant subsidised goods would occur if the measures were no longer applied (the likelihood of subsidised imports assessment). We determined that it is likely, on the balance of probabilities, that importation of subsidised GFR would occur if the measures were no longer applied.

B5. Likelihood of injury assessment

24. In accordance with regulation 99A(1)(b) of the Regulations, we considered whether injury to the UK industry of the relevant goods would occur if the countervailing amount were no longer applied (the likelihood of injury assessment). We determined that it is likely, on the balance of probabilities, that injury would occur if the countervailing amount on GFR were no longer applied.

B6. Economic Interest Test

25. Having considered all the evidence gathered, including that presented by the interested parties and contributors, and all the factors listed in the legislation, we have concluded that the Economic Interest Test (EIT) is met for the proposed duty.

B7. Intended recommendation

26. 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 countervailing amount of the relevant goods.
27. Our intended recommendation is to vary the application of the countervailing amount under regulation 100A of the Regulations. As it has not been possible to recalculate the countervailing amount, we recommend maintaining the

measure under regulation 100A(4)(b) of the Regulations and varying the description of the goods to which the measure applies under regulation 99A(2)(a)(ii) of the Regulations.

28. The World Customs Organisation (WCO) amended the Harmonised System (HS) for commodity codes, this took effect on 1 January 2022 affecting mats made of glass fibre filaments. The code 7019 31 00 00 was replaced with four codes 7019 13 00 other yarn, slivers, 7019 14 00 mechanically bonded mats, 7019 15 00 chemically bonded mats and 7019 19 00 other. The transitioned UK trade remedy measure therefore applied only to codes 7019 14 00 00 and 7019 15 00 00 from 1 January 2022.

29. The description of the goods to which the measure applies will be varied to exclude “mats made of glass fibre filaments” from the application of the measure. The goods to be excluded are classified under the following commodity codes:

7019 31 00 00, now listed as 7019 14 00 00 and 7019 15 00 00.

30. The varied description of the goods to which the measure applies is as follows:

“Chopped glass fibre strands, of a length of not more than 50 mm.

Glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887).”

31. Commodity codes to which the measures will be maintained and will continue to apply will be as follows:

7019 11 00 00
7019 12 00 22
7019 12 00 25
7019 12 00 26
7019 12 00 39

32. The duties specified in [Annex 1](#) shall be maintained and applied to the goods described or imported under the above commodity codes.

33. We intend to make this recommendation on the grounds that:

- It is likely, on the balance of probabilities, that importation of subsidised GFR from the PRC would occur if the countervailing amount were no longer applied.

- It is likely, on the balance of probabilities, that injury to the UK industry would occur from importation of subsidised GFR from the PRC if the countervailing amount were no longer applied.
 - The application of the countervailing amount on subsidised GFR meets the EIT.
34. In reaching this intended final recommendation we considered the current and prospective impact of the countervailing amount in accordance with regulation 100A(2)(b) of the Regulations.

SECTION C: Background

C1. Initiation of the transition review

35. The UK chose to transition some trade remedy measures once it was outside EU's common external tariff. DIT identified which measures were of interest to the UK following a call for evidence.
36. For each of these measures, the Secretary of State for International 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 remedy measure, and a Taxation Notice under regulation 96A(1) of the Regulations on replacement of the EU trade duty. We conduct transition reviews to determine if these measures should be varied or revoked in the UK.
37. On 31 December 2020, the Secretary of State published a [Notice of Determination](#) and [Taxation Notice](#) regarding the countervailing duty on certain continuous filament glass fibre products originating in the PRC. In accordance with the Regulations and this Notice, the TRA was required to conduct a transition review of the original EU measure imposing this countervailing duty, set out in Article 11(2) of [Council Regulation \(EC\) No 1225/2009](#).
38. On 29 January 2021 the Secretary of State published a Notice to initiate the transition review of the transitioned UK trade remedy measure relating to certain continuous filament glass fibre products originating in the PRC.

C2. Previous measures in place

39. The European Commission (the Commission) imposed countervailing duties on imports of certain continuous filament glass fibre products originating in the PRC by implementing [Council Regulation \(EU\) 1379/2014](#) on 16 December 2014 following EU anti-subsidy investigation AS603. [Annex 2](#) lists the duty rates that were applied.

C2.1 EU reviews conducted since the original measure

40. Since the original investigation, the Commission has undertaken the following reviews.
41. An [expiry review](#) (EU expiry review R708) was initiated on 17 December 2019, following a request by the European Glass Fibre Producers Association (APFE) on behalf of Union producers. The request was made on the grounds that expiry of the measures would result in continuation of subsidisation and continuation or recurrence of injury. The countervailing duties applicable to

certain continuous filament glass fibre products originating in the PRC were renewed by the Commission.⁴

C3. Our transition review process

C3.1 The transitioned measure

42. The EU measure transitioned into UK law and as set out in the Taxation Notice took effect as a UK measure on replacement of EU trade duties. Under regulation 97C of the Regulations, this measure will continue until the Secretary of State publishes a notice accepting or rejecting a recommendation following a transition review to vary or revoke the application of the countervailing amount.
43. The transitioned measure applies to certain continuous filament glass fibre products originating in the PRC. The rate of countervailing duty which applies to the goods produced by the relevant companies is summarised in [Annex 2](#).

C3.2 Information from participants in the review

C3.2.1 UK Producers

44. Pre-sampling questionnaire responses were received from the producer of GFR products in the UK:
 - EGF UK
45. There was no requirement for sampling as EGF UK are the sole producer of GFR products in the UK. The information received from EGF UK is detailed in [Annex 3](#).

C3.2.2 PRC Exporters

46. Pre-sampling questionnaires were received from the following PRC exporters:
 - Jiangsu
47. Jiangsu's subsidiary companies, Tianma and New Changhai also submitted questionnaires. The information received from them is detailed in [Annex 4](#).

C3.2.3 Importers

48. Two importers registered their interest to the transition review,

⁴ [Commission implementing Regulation \(EU\) 2021/328](#)

- Buefa Composites UK Ltd (BUEFA)
- BMDS

49. BMDS was the only party to participate in the review as an importer. [Annex 5](#) details the information received.

C3.2.4 Foreign Governments

50. The government of the PRC registered to participate in this transition review. The information received from them is detailed in [Annex 6](#).

C3.2.5 Other participants

51. One trade body registered their interest in the review. The British Glass Manufacturers Confederation (British Glass) submitted a Pre-sampling Questionnaire, a questionnaire and a response to the request for information on scope. The information received is detailed in [Annex 7](#).
52. Contributor registration forms were issued which permitted additional information to be provided by members of the upstream and downstream industries. Information received from contributors is detailed in [Annex 8](#).

C3.3 Verification of data

53. Submissions by the UK producer, EGF UK, were checked for consistency and completeness. During these checks, deficiencies were identified relating to incomplete responses and non-confidential summaries. All deficiencies were resolved before verification work commenced.
54. Verification meetings were held with EGF UK between 12 and 13 October 2021. During the meetings, EGF UK provided information on their accounting systems, sales data, processes, and transactions. Further information and source documentation relating to injury factors and the Economic Interest Test were also provided.
55. Additional information was also requested regarding individual sales transactions and costs. The requested information was submitted by EGF UK and verified. Any data that we have assessed as not being verifiable is listed in the verification report which can be found on the public file.
56. In addition to information provided by EGF UK, secondary source information was used in accordance with the Regulations. This secondary information was treated with special circumspection and, where practicable, verified using independent sources. This included, but was not limited to, official import

statistics and data pertaining to relevant markets. Where data has not been verified, the TRA has highlighted these areas and considered this when drawing conclusions.

57. Following verification activity undertaken on the data provided by EGF UK, we are satisfied that we can treat the data relied on as complete, relevant, and accurate for the purposes of this review.

SECTION D: The Goods

D1. Introduction

58. '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 Schedule 3, Paragraph 1."*
59. The goods subject to review in this transition review are defined in the NOI as:

"Chopped glass fibre strands, of a length of not more than 50 mm.

Glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887).

Mats made of glass fibre filaments excluding mats of glass wool."

D2. Assessment of the goods

60. The scope of this transition review, as set out in the NOI and detailed above, consists of chopped strands, rovings (both single-end and multi-end) and mats. All products are produced in the PRC. There is evidence that the UK GFR industry produces single-end rovings and wet-chopped strands, the TRA has not established any evidence of domestic production of multi-end rovings, dry-chopped strands or mats within the UK during the POI.
61. EGF UK have confirmed that they have previously produced dry chopped strands, and still have the facilities to produce them. However there has not been a demand for them in the POI. EGF UK have stated that should orders for dry chopped strands come in they are able to resume production. There are multiple production processes where dry or wet chopped strands are interchangeable. The TRA considers it likely that varying the description of the goods of the measure to remove dry chopped strands would cause injury to the UK industry via the reduction of wet chopped strand sales and exclusion from the dry chopped strand market.
62. EGF UK have confirmed that they do not produce mats and no requests to maintain the measure on mats have been received. Mats produced in the PRC are purchased by multiple UK importers including Filon, there is no evidence of UK production in the POI, and the TRA has received no evidence suggesting that mats are a suitable substitute for chopped strands or rovings. Additionally, we have considered the impact and potential impact of varying the description of the goods to which the measure applies to remove mats, and whether this would cause prejudice to any of the parties. In the absence of submissions or

evidence to the contrary, we have therefore determined to vary the description of the goods to which the measure applies to remove mats.

63. We received submissions regarding scope from BMDS requesting that multi-end rovings be removed from the scope of the transition review on the basis that they are not produced in the UK. Accordingly, we sought additional information on scope from parties registered in the transition review. In order to respond to these submissions, we have assessed a number of factors to establish the similarities (or likeness) of multi-end and single-end rovings. These included physical, chemical, technical, and commercial similarities and differences between the goods concerned and other potential like goods as well as the impact and potential impact of varying the description of the goods to which the measure applies and whether this would cause prejudice to any of the parties.
64. The following observations have been made regarding physical, chemical, and functional likenesses of multi-end and single-end rovings.
65. Rovings consist of a collection of parallel filaments (multi-end) or parallel continuous filaments (single-end) assembled without an intentional twist (ISO/DIS 13922).
 - a. **Multi-end roving:** A collection of parallel strands assembled without intentional twist (according to ISO/DIS 13922).
 - b. **Single-end roving:** A large and predetermined number of filaments obtained by winding directly from a bushing (according to ISO/DIS 13922).

D2.1 Production process

66. Rovings are produced using a five-step production method of batching, melting, fibreisation, sizing and drying/packaging. The raw materials are blended, batched and then melted in a furnace. GFR formation, or fibreisation, involves a combination of extrusion and attenuation. In extrusion, the molten glass passes out of the forehearth through a bushing made of an erosion-resistant platinum/rhodium alloy with very fine orifices, from 200 to as many as 8,000. Water jets cool the filaments as they exit the bushing where they are attenuated by being mechanically drawn under tension into fibrous elements called filaments. The filaments are sprayed with a chemical coating, or sizing, which may include lubricants, binders or coupling agents. The filaments are collected into a bundle, wound onto a drum and dried in an oven before being packaged.
67. The difference in the production process between the two types of rovings is that single-end rovings are produced by pulling individual fibres directly from the bushing and winding them into a roving package. Multi-end rovings are

made from multiple strands wound together into a multi-end roving package and require additional handling and processing steps.

68. EGF UK does not produce multi-end rovings as they have transitioned their customers to single-end rovings. EGF UK could restart production of multi-end rovings with minimal investment requirements.

D2.2 Quality and chemical characteristics

69. The quality nor chemical characteristics is disputed by the parties. There is no known difference in the quality or chemical composition of multi-end and single end rovings and the raw materials used to manufacture both are the same.

D2.3 Functional characteristics

70. Both multi-end and single-end rovings are used to improve the strength, stiffness and thermal deformation temperature of the end products they are used in.
71. When cut during manufacturing of the end products, multi-end rovings split apart and are therefore used when transparency is required, for example when manufacturing roof lights. BMDS stated that multi-end rovings give a better “wet out” when the fibres are fully encapsulated by the resin which is needed to make translucent products.
72. In contrast single-end rovings are firmed and do not break apart when cut. They can be used in a variety of manufacturing processes such as weaving and winding to fabricate a range of products such as wind turbines blades, pipes and frames. BMDS has stated that single-end rovings cannot be used in manufacture of the products they produce due to the lack of transparency.

D2.4 Commodity codes

73. The TRA has considered the commodity codes and is satisfied that these reflect the similarities and differences of the goods.

D2.5 Commercial likeness

74. This refers to how the market treats the potential like goods compared to the goods concerned. As part of this review, the TRA considered:
- end use and interchangeability; and
 - direct competition between multi-end rovings and single-end rovings.

D2.5.1 End use and interchangeability

75. End use requires consideration of the extent to which multi-end and single-end rovings are capable of performing the same, or similar, function.
76. Interchangeability requires consideration as to whether consumers are willing to choose one product instead of another to perform those end uses.
77. BMDS has stated that single-end rovings cannot be used in manufacture of the products they produce due to the lack of transparency. This indicates that any products that require transparent materials such as lighting systems or scientific equipment are unable to substitute single-end rovings for multi-end rovings in their manufacture.
78. EGF UK has provided examples where multi-end and single-end rovings can be used interchangeably in an end product. Examples of this are tiles for pavements in airports and car parts such as rear shelves. In addition, EGF UK has provided sales data showing a customer transitioning from use of multi-end to single-end rovings.
79. The TRA has considered submissions in relation to various uses of multi-end and single-end rovings and has concluded that there is some interchangeability in some end uses and hence that there is competition between the two products.
80. The TRA has considered the impact of a change in scope on the intended effects of the countervailing amount and whether it would cause prejudice to the interests of any interested parties or contributors was assessed. The TRA has concluded that the impact of a change in scope could cause prejudice to the UK producer because the change would remove a like good.

D2.5.2 Direct competition between multi-end and single-end rovings

81. The TRA has received insufficient data to assess the extent to which multi-end and single-end rovings directly compete on price.

D2.6 Conclusion

82. The TRA has determined that the relevant goods produced in PRC and the UK are comparable and fall within the description of the goods subject to review.
83. We have concluded that multi-end and single-end rovings are sufficiently similar to remain in scope for the purposes of the transition review. We have also concluded that this will not impact or cause prejudice to any parties to this transition review. On this basis, the description of the goods to which the measure applies has not been amended.

84. We have also concluded that mats are not produced in the UK, and we have received no representations regarding whether mats should continue to be included in the description of the goods to which the measure applies. Having considered whether removing mats from the description of the goods would impact or prejudice parties to this transition review, we have determined that the description of the goods to which the measure applies will be varied to exclude mats.

SECTION E: The Current UK Industry and Market

E1. Overview

- 85. UK industry consists of one domestic producer: EGF UK.
- 86. The most recent annual report and financial statements on Companies House show that the average monthly number of employees (including directors) employed by the company during 2020 was 251. All their production is GFR.

E2.1 Market size and structure

- 87. Gross Value Added (GVA) from the production of GFR was circa £10.7m during 2020.
- 88. In addition to the one UK producer of GFR, we identified 61 importers of GFR: some of these are wholesalers and some of these use GFR to create other products.
- 89. GFR have numerous applications in various downstream industries, including automotive, building materials, composites, marine and wind energy industries.
- 90. GFR are an intermediate product rather than a consumer product, so are used as input to build final products consumed by downstream industries and the public.

E2.2 Market trends

- 91. There has been a decrease in UK production over the IP. This could be attributed to the domestic sales decreasing during the IP. Production capacity has remained constant throughout the IP. Production capacity utilisation followed a similar trend to production.
- 92. Over the IP, the volume of export sales remained constant, increasing between 2017 and 2019, and decreasing in 2020. The 2020 figures are likely to be affected by the impact of COVID-19 on the UK and world economy. However, there has been a decrease in the value of export sales of 14% over the IP, which can be explained by the price of the exported goods also decreasing over the IP.

E2.3 Competition in the market

- 93. UK production competes with GFR imported into the UK market.

94. Imported GFR are predominantly from Belgium, France and Slovakia. Imports of GFR from the PRC accounted for 8.44% of total UK import volume of GFR in 2020, making the PRC the fifth largest source of imports of GFR.

E2.4 Conclusion

95. We have determined the UK industry is comprised of one manufacturer – EGF UK – for the purposes of this transition review. The GFR produced by this manufacturer is considered to be like the GFR produced by the PRC industry and thus provides a meaningful comparison for our analyses.

SECTION F: Necessary or Sufficient Assessment

F1. Introduction

96. Under regulation 99A(1)(a) of the Regulations, we are required to consider whether the application of the countervailing amount is necessary or sufficient to offset the importation of the relevant subsidised goods to the UK (the necessary or sufficient assessment).

F2. Assessment

97. With one exception, we do not have data from exporters found previously to be importing subsidised goods as to the number of imports of the goods subject to review in the UK.
98. We have therefore obtained data from Her Majesty's Revenue and Customs (HMRC), which indicates that there continued to be imports of the goods subject to review into the UK from the PRC during the POI.
99. The HMRC data shows that in 2020 the PRC was a major source of glass-fibre rovings imported to the UK. The PRC was also ranked 12th as a source of imported glass-fibre chopped strands.

Table F.0.1: UK imports of the goods subject to review from the People's Republic of China in 2020.

Product description	Commodity code	Total UK import volume (mT)	Share of total UK import volume (%)
Glass-fibre chopped strands	70191100	76	0.3%
Glass-fibre rovings	70191200	3,236	20.0%

Source: HMRC, Overseas Trade in Goods Statistics, 2022.

100. The data therefore indicates that some of the relevant subsidised goods have continued to be imported into the UK during the POI, despite measures being in place. However, the data obtained during the transition review does not provide sufficient detail in relation to these imports to allow us to make an assessment regarding whether the application of the measure is necessary or sufficient to offset the importation of the subsidised goods. Therefore, we are unable to determine definitively whether the measure is necessary or sufficient to offset the importation of the relevant subsidised goods.

101. Additionally, without sufficiently detailed data regarding imports of the goods subject to review, we do not consider it appropriate to recalculate the countervailing amount under regulation 99A(2)(a)(i) of the Regulations.

F3. Conclusion

102. In light of paragraph 99, the TRA is unable to determine definitively whether the application of the countervailing amount is necessary or sufficient to offset the importation of the relevant subsidised goods into the UK

103. Therefore, to determine whether the measures should be varied or revoked, we have considered the likelihood that injury would occur if the measures were no longer applied, in accordance with regulation 99A(1)(b) of the Regulations.

104. Under regulations 99A(2)(a)(iii) and 70(6) of the Regulations, we have also considered the likelihood that importation of the subsidised goods subject to review would occur if the measure were no longer applied.

SECTION G: Likelihood of Subsidy Assessment

G1. Introduction

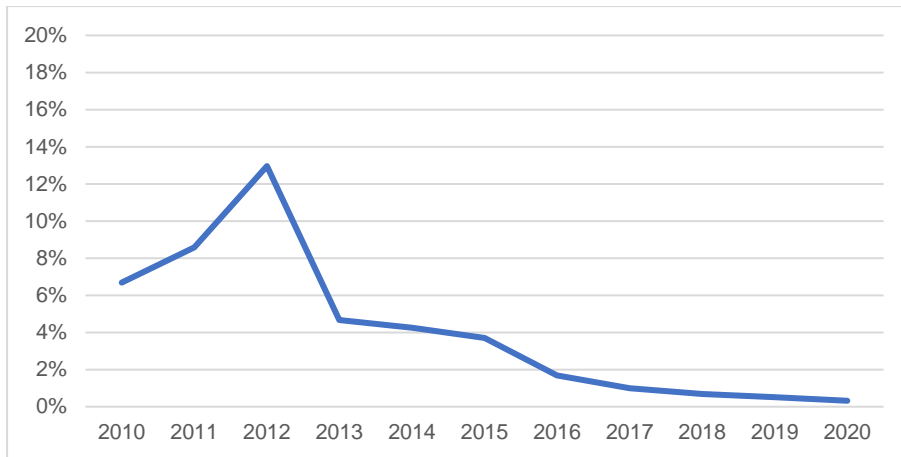
105. In accordance with the regulations 99A(2)(a)(iii) and 70(6) of the Regulations we have assessed the likelihood that the import of subsidised goods would occur if the measures were no longer applied. In doing so, and in conjunction with our consideration of the Economic Interest Test, we have also had regard to the current and prospective impact of the countervailing amount, as required under regulation 100A(2) of the Regulations.
106. We have considered the likelihood of subsidy on a countrywide basis, rather than an exporter-by-exporter basis. This is due to the non-cooperation of PRC exporters, which resulted in insufficient information being available to the TRA on individual companies. One exporter, Jiangsu Changhai, exported only mats to the UK during the POI. As mats will no longer have measure applied to them, we have considered their data to be unrepresentative of countrywide exports.
107. Information obtained from secondary sources was used in accordance with the Regulations where primary data was not available.
108. The assessment considered:
- whether subsidised imports to the UK have continued whilst the measure has been in place;
 - whether subsidy programmes are still in place or likely to be put in place in the exporting country;
 - whether relevant subsidised goods are exported to third countries;
 - whether the UK market is attractive to exporters; and
 - whether exporters have previously or habitually circumvented the effects of the trade remedy measure.
109. We conducted this assessment to inform our recommendation as to whether the measure should be varied or revoked. The assessment of the likelihood of subsidised imports occurring is concluded on the balance of probabilities.

G2. Have subsidised imports continued whilst the measure has been in place?

110. There have been lower levels of imports of the GFR from the PRC to the UK during the POI than earlier in the IP. HMRC data shows that during the POI 0.4% of UK value of imports (and 0.3% by volume of UK imports) of GFR chopped strands and 15.2% of UK value of imports (and 20.0% by volume of

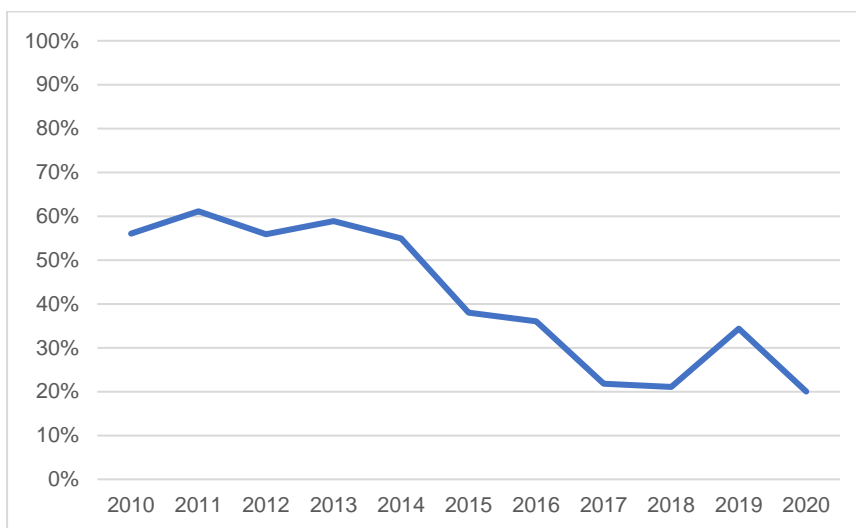
UK imports) of GFR rovings were from the PRC. The TRA has concluded that importation of subsidised goods from the PRC reduced through the IP.

Figure G1: UK imports by volume of GFR chopped strands from the PRC as a percentage of total UK imports.



Source: HMRC, Overseas Trade in Goods Statistics, 2022.

Figure G2: UK imports by volume of GFR rovings from the PRC as a percentage of total UK imports.



Source: HMRC, Overseas Trade in Goods Statistics, 2022.

111. Figures G1 and G2 demonstrate the fall in imports of GFR from the PRC into the UK, showing the effect of countervailing measures that were imposed on GFR from PRC in December 2014.⁵ It should be noted that the anti-dumping

⁵ Commission Implementing Regulation (EU) No 1379/2014, available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2014_367_R_0006&from=EN (accessed 24 March 2022).

measure that came into effect in March 2011⁶, and increased in December 2014⁷ may have also affected imports of GFR from the PRC over the period.

112. The POI covers a period of world-wide reduction in demand due to the COVID-19 pandemic, and world-wide shipping issues⁸ which have affected both supply and demand. HMRC data indicates that despite the reduction in volume of imports, the PRC remains the largest source of GFR rovings during the POI. This indicates that exporters from the PRC still maintain significant collective market share.

G2.1 Conclusion

113. The TRA has considered HMRC data which indicates that although imports of GFR from the PRC have reduced during the IP they do continue despite countervailing measure being in place.

G3. Are subsidy programmes still in place or likely to be put in place in the exporting country?

114. In order to establish whether subsidy programmes are still in place and likely to continue, the TRA has analysed the subsidy schemes shown in Table G.1. The TRA has assessed whether these subsidy schemes are still in place or likely to be put in place in the PRC. The TRA has not conducted its own analysis of whether the subsidies are specific or countervailable as this was analysed in the original EU⁹ investigation.¹⁰
115. The schemes listed in Table G.1 were found still to be in place.

⁶ Council Implementing Regulation (EU) No 248/2011, available at :<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32011R0248&from=EN> (accessed 24 March 2022).

⁷ Commission Implementing Regulation (EU) No 1379/2014, available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2014_367_R_0006&from=EN (accessed 24 March 2022).

⁸ The Economist (2021) Why supply-chain snarls still entangle the world, available at: <https://www.economist.com/business/a-return-to-container-shippings-pre-pandemic-days-is-a-long-way-off/21806844> (accessed 24 March 2022).

⁹ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2014_367_R_0006&from=EN

¹⁰ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R0328&from=EN>

Table G.1: Subsidy schemes used to calculate the countervailing amount in the original EU investigation.¹¹

Scheme	Subsidy type	Legislation
Preferential Loans	Direct Transfer of Funds (Loans)	The Law of the PRC on Commercial Banks (the banking law) [2003], The General Rules on Loans promulgated by the People's Bank of China (PBOC) on 28 June 1996 and Decision No 40 of the of the State Council
Preferential Tax Policies for High and New Technologies Enterprises	Government revenue foregone or not collected (Income Tax)	Article 28(2) of the Enterprise Income Tax Law of 2008 ('the EIT law'), along with the 'Administrative Measures for the Determination of High and New Technology Enterprises' (Guo Ke Fa Huo [2008] No 172); and Article 93 of the Regulations on the Implementation of Enterprise Income Tax Law, along with the Notice of the State Administration of Taxation on the issues concerning the Payment of Enterprise Income Tax by High and New Technology Enterprises (Guo Shui Han [2008] No 985).
Tax reduction for Foreign Invested Enterprises (FIEs) purchasing Chinese-made equipment	Government revenue foregone or not collected (Income Tax)	Provisional measures on enterprise income tax credit for investment in domestically produced equipment for technology renovation projects of 1 July 1999: Notice of the

¹¹ Commission Implementing Regulation (EU) No 1379/2014, available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2014_367_R_0006&from=EN (accessed 24 March 2022).

		State Administration of Taxation on Stopping the Implementation of the Enterprise Income Tax Deduction and Exemption Policy of the Investments of an Enterprise in Purchasing Home-made Equipment, No 52 [2008] of the State Administration of Taxation, effective 1 January 2008.
Import tariff and VAT exemptions for Foreign Invested Enterprises (FIEs) and certain domestic enterprises using imported equipment in encouraged industries	Government revenue foregone or not collected (Import duties)	Circular of the State Council on Adjusting Tax Policies on Imported Equipment, Guo Fa No 37/1997, Notice of the Ministry of Finance, the General Administration of Customs and the State Administration of Taxation on the Adjustment of Certain Preferential Import Duty Policies, Announcement of the Ministry of Finance, the General Administration of Customs and the State Administration of Taxation [2008] No 43, Notice of the NDRC on the relevant issues concerning the Handling of Confirmation letter on Domestic or Foreign-funded Projects encouraged to develop by the State, No 316 2006 of 22 February 2006 and Catalogue on Non-duty-exemptible Articles of importation for either FIEs or domestic enterprises, 2008.

Provision of land use rights for less than adequate remuneration	Government provision of goods and services for less than adequate remuneration (Land)	The Land Administration Law of the PRC states that all land belongs to the people, and cannot be bought or sold, and sets out the conditions by which land use rights can be sold to businesses by bidding, quotation or auction.
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G3.1 Previously identified subsidy schemes

116. The schemes identified in the 2014 EU investigation (EU investigation AS603)¹² that were deemed countervailable detailed in the table above were reviewed by the TRA and are set out below.

G3.1.1 PRC schemes / programmes

G3.1.1.1 Preferential loans

117. This scheme provides loans by state-owned and privately owned banks to the industry at preferential rates.

118. Based on general planning focus on the “new materials” industry that includes preferential loan access, as set out in documents such as the 12th, 13th and now 14th 5-year plans and Decision 40 [2005] of the State Council, which was published in 2005 and has been continuously updated since. Within the Made in China 2025 roadmap, the “New Materials” section (section 9) in “9.2 Key strategic materials” [page 152] lists “high performance fibres and their composite materials, [...]” (which would include GFR) as a part of the definition of new materials. Further plans such as the *Made in China 2025* roadmap have launched, setting out strategies for developing domestic manufacturing industries within PRC. GFR is listed within their definitions of ‘new materials’ and industries that are intended to benefit from the initiative.

119. In light of the plans for continued development of the ‘new materials’ industry, and in the absence of any evidence that the scheme will stop, we consider it is likely that this subsidy will continue.

¹² [Commission Implementing Regulation \(EU\) No 1379/2014](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2014_367_R_0006&from=EN), available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:JOL_2014_367_R_0006&from=EN (accessed 24 March 2022)

G3.1.1.2 Preferential tax policies for High and New Technology Enterprises

120. This programme provides the beneficiary with a reduced tax rate. The scheme relates to government revenue foregone or not collected in the form of income tax. Companies eligible under this scheme receive a certificate entitling them to pay only 15% corporate income tax rather than 25%, regardless of investment type or location headquarters. There are various policies which support the scheme:

- Article 28(2) of the Enterprise Income Tax Law of 2008 ('the EIT law');
- 'Administrative Measures for the Determination of High and New Technology Enterprises' (Guo Ke Fa Huo [2008] No 172);
- Article 93 of the Regulations on the Implementation of Enterprise Income Tax Law; and
- Notice of the State Administration of Taxation on the issues concerning the Payment of Enterprise Income Tax by High and New Technology Enterprises (Guo Shui Han [2008] No 985).

121. The programme has been in place since 2008 and no evidence has been provided that suggests the programme will end, nor is there any indication that the policies have changed since the original EU investigation. We therefore consider it is likely that this subsidy will continue.

G3.1.1.3 Tax reduction for foreign invested enterprises (FIEs) purchasing Chinese made equipment

122. This subsidy scheme relates to government revenue foregone or not collected in the form of income tax. It allows a company to claim tax credits on the purchase of domestic equipment if a project is consistent with the industrial policies of the Government of PRC. A tax credit of up to 40% of the purchase price of domestic equipment may apply to the incremental increase in tax liability from the previous year.

123. New foreign investment laws came into effect in 2020, however the TRA has not been able to establish whether these have replaced this subsidy of tax reduction for FIEs. We are therefore unable to determine whether this subsidy will continue.

G3.1.1.4 Import tariff and VAT exemptions for FIE and certain domestic enterprises using imported equipment in encouraged industries

124. This subsidy scheme provides an exemption from VAT and import tariffs in favour of FIEs or domestic enterprises for imports of capital equipment used in their production. To benefit, the equipment must not fall in a list of non-eligible

equipment and the claiming enterprise has to obtain a Certificate of State-Encouraged project issued by the Chinese authorities or by the National Development and Reform Commission in accordance with the relevant investment, tax and customs legislation. The benefit is the amount of VAT and duties exempted on the imported equipment.

125. There are various policies which support the scheme:

- Circular of the State Council on Adjusting Tax Policies on Imported Equipment, Guo Fa No 37/1997;
- Notice of the Ministry of Finance;
- The General Administration of Customs and the State Administration of Taxation on the Adjustment of Certain Preferential Import Duty Policies;
- Announcement of the Ministry of Finance, the General Administration of Customs and the State Administration of Taxation [2008] No 43;
- Notice of the NDRC on the relevant issues concerning the Handling of Confirmation letter on Domestic or Foreign-funded Projects encouraged to develop by the State; and
- No 316 2006 of 22 February 2006 and Catalogue on Non-duty-exemptible Articles of importation for either FIEs or domestic enterprises, 2008.

126. In light of the policies supporting this subsidy scheme (the Announcement No. 9 of 2021 of the General Administration of Customs (Announcement on Issues Concerning the Implementation of the “Catalogue of Industries Encouraging Foreign Investment (2020 Edition)”), which implemented updated regulations and policies relating to this scheme, and in the absence of any evidence that the scheme will stop, we consider it likely that this subsidy scheme will continue.

G3.1.1.5 Provision of land use rights for less than adequate remuneration

127. Under this subsidy scheme, land is provided to encouraged industries for less than adequate remuneration. The Land Administration Law of the PRC states that all land belongs to the people, and cannot be bought or sold, and sets out the conditions by which land use rights can be sold to businesses by bidding, quotation or auction.

128. The monetary benefit is deemed to be the difference between the price paid for the land use right and an appropriate external benchmark. In the original EU investigation, Taiwan was considered an appropriate external benchmark to calculate the benefit.

129. In the absence of any evidence indicating that the scheme no longer applies to the GFR industry, has ended, or is likely to end, we consider it is likely that this subsidy scheme will continue.

G3.2. Additional subsidy schemes

130. Additional subsidy schemes in the form of preferential tax programs, grants and loans were identified from the questionnaires submitted by the exporting producer, Jiangsu and their subsidiaries, Tianma and New Changhai. These schemes have not been investigated further as they were not transitioned from the original review. The TRA had insufficient evidence that the foreign exporters in the transition review were benefiting from these new subsidy schemes, and so we have focused on reviewing the schemes identified in the EU investigation.
131. The TRA has not received information from either interested parties or contributors in relation to these and other subsidy schemes in order to determine whether they apply in addition to the subsidies listed above and identified in the original EU investigation. Furthermore, there is no secondary source information available that could provide this information. The TRA has therefore made no determination in relation to these subsidies.

G3.3 Conclusion

132. The subsidy schemes that were identified as countervailable in the original EU investigation are still considered to be in place, and with no data provided to the contrary, we consider it likely that these programmes will continue. This is with the exception of the subsidy for “Tax reduction for foreign invested enterprises (FIEs) purchasing Chinese made equipment” for which we have been unable to make a determination due to a lack of data. The TRA has been unable to make a determination regarding additional new subsidy schemes highlighted in the questionnaire responses, due to a lack of data.
133. In view of the findings above, the TRA considers that PRC exporters have continued to benefit from subsidy schemes. This is supported by non-confidential questionnaire responses received from Jiangsu. Due to insufficient data, it has not been possible to identify which schemes/programmes individual producers have benefited from.

G4. Exports of subsidised goods to third countries

G4.1 Exports to countries with countervailing measures

134. There continues to be imports of GFR into the UK from the PRC exporters following the imposition of measures.

G4.1.1 Exports of subsidised goods to third countries

135. Jiangsu and their subsidiaries, New Changhai and Tianma, provided data regarding their top export destinations within their questionnaires. Jiangsu is not representative of countrywide Chinese exporters as they only export GFR mats, and due to a lack of engagement from other PRC exporters, secondary data from UN Comtrade was analysed as facts available to assess countrywide PRC exports to third countries.

136. Data from UN Comtrade shows that in 2020, the PRC's top five export destinations of the GFR (by volume). The UK was ranked 58th for GFR strands and 34th for GFR rovings.

Table G.2: Top five destinations of PRC exports of GFR chopped strands during the POI.

Country	Volume of exports (mT)	Share of PRC exports (%)
1. Rep. of Korea	33,148	23.7
2. USA	20,101	14.4
3. Japan	18,447	13.2
4. India	13,891	9.9
5. Iran	8,598	6.1
58. United Kingdom	15	0.01
Total PRC exports	140,118	100.0

Source: UN Comtrade, 2021.

Table G.3: Top five destinations of PRC exports of GFR rovings during the POI.

Country	Volume of exports (mT)	Share of PRC exports (%)
1. USA	58,595	11.6
2. Rep. of Korea	49,705	9.9
3. Thailand	20,048	5.5
4. United Arab Emirates	23,406	4.9

5. Saudi Arabia	27,746	4.8
34. United Kingdom	3,217	0.6
Total PRC exports	503,951	100.0

Source: UN Comtrade, 2021.

137. During the POI, approximately 644,000 mT of chopped strands and rovings were exported from the PRC. The data in Tables G.2 and G.3 indicates that these GFR products were exported in larger volumes to third countries than to the UK. During the POI, the PRC's largest export destinations were the US and the Republic of Korea. The level of exports from the PRC to the UK were relatively low; just 0.01% of the PRC's total exports of chopped strands were exported to the UK.

138. PRC exporters continue to export to the EU.

G4.2 Countervailing measures in third countries

139. Beyond the current EU measures, there are no other countervailing measures against PRC exporters in relation to GFR.

140. While the EU maintain anti-subsidy duties on PRC GFR, PRC exporters have consistently exported to the EU, accounting for approximately 5% of EU consumption of GFR over the IP, which represents over 50,000 mT of GFR.¹³

G4.3 Conclusion

141. PRC producers exported subsidised goods to third countries during the POI, including the EU, where the PRC exporters were subject to countervailing measures. The volumes exported by the PRC are significant; total PRC worldwide exports account for more than 13 times more than total UK consumption in the POI. This indicates that subsidised imports into the UK are likely to continue in increased quantities if the measure no longer applied.

G5. Attractiveness of the UK market to exporters

142. In terms of the attractiveness of the UK market in and of itself, relevant economic factors the TRA may consider include:

- Market size and growth

¹³ Commission Implementing Regulation (EU) 2021/328, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R0328&from=EN> (accessed 24 March 2022).

- Pricing (current and trends)
- Specific environment and trends in the industry
- Intensity of the competition (including barriers to entry and exit)
- Overall business environment and economic conditions
- Opportunity to differentiate products and services
- Consumer protection/regulatory environment

The assessment of these factors relies primarily on secondary data as it involves assessing the UK market in comparison to other markets.

G5.1 Current UK market size and growth

G5.1.1 Consumption

143. UK consumption of rovings and chopped strands over the IP was established using HMRC data and EGF UK's questionnaire responses.

Table G.4: UK GFR market: consumption and trade during the IP – indexed to 2017.

		2017	2018	2019	2020
UK imports of GFR	Volume	100	107	103	85
	Value	100	110	105	86
UK exports of GFR	Volume	100	103	110	105
	Value	100	102	104	94
UK consumption of GFR	Volume	100	106	99	84
	Value	100	108	101	84

Source: Questionnaire responses submitted by interested parties to TRA; HMRC, Overseas Trade in Goods Statistics, 2022.

Notes: Data are presented as indices. 2017 = 100.

144. Table G4 shows indexed UK market for the combined chopped strands and rovings market in the UK. The relatively small size of the UK market for GFR might reduce its attractiveness of the market to exporters. But the UK's reliance on imports, including from the PRC, suggests otherwise.
145. Table G.4 also shows UK total market consumption from 2017-2018 increasing, with a decline in the GFR market in 2019 and 2020. The reduction in size of the UK market for GFR during 2019 and 2020 may reduce the attractiveness of the UK market and incentivise PRC exporters to target third countries for export to maximise sales potential. However, the reduction in consumption in 2020 may in part be attributed to the effect of the COVID-19 pandemic (discussed in [Section H2.14.2 Covid-19 pandemic](#)) and the reduction in demand from the construction industry due to lockdown measures in the UK and in other countries. In the automotive industry, the production of vehicles has reduced due to a global chip shortage therefore, leading to reduced production. This has also been magnified by world-wide shipping constraints. EGF UK have stated that they have seen a return to pre-COVID-19 demand for Q1-2 in 2021 in the published accounts.¹⁴
146. EGF UK are the sole producer of GFR in the UK and constitute 100% of UK production. The nature of the UK market is such that a small proportion of the market is supplied by domestic industry (EGF UK) and the majority of the market is supplied through imports, mainly from the EU.

Table G.5: Sources of supply of GFR in the UK market during the IP.

	2017	2018	2019	2020
Domestic supply				
Volume of UK sales of UK producer	Confidential			
Volume of UK sales of UK producer (2017 = 100)	100	90	44	61
Foreign supply				

¹⁴ Companies House, Electric Glass Fiber UK, Limited, Annual Report and Financial Statements for the Year Ended 31 December 2020, available at: <https://find-and-update.company-information.service.gov.uk/company/10269432/filing-history/MzMxNTg4NDIzNWFKaXF6a2N4/document?format=pdf&download=0> (accessed 24 March 2022).

Volume of imports from EU countries (mT)	33,441	30,817	25,848	27,253
Volume of imports from EU countries (2017 = 100)	100	92	77	81
Volume of imports from non EU countries (mT) (excluding the PRC)	7,895	14,334	13,197	9,065
Volume of imports from non EU countries (excluding the PRC) (2017 = 100)	100	182	167	115
Volume of imports from PRC (mT)	5,072	4,415	8,741	3,312
Volume of imports from PRC (2017 = 100)	100	87	172	65
Volume of all imports (mT)	46,408	49,567	47,787	39,630
Volume of all imports (2017 = 100)	100	107	103	85

Source: Questionnaire responses submitted by interested parties to TRA; HMRC, Overseas Trade in Goods Statistics, 2022.

Notes: Figures may not add up due to rounding.

Table G.6: UK production of GFR during the IP – indexed to 2017.

	2017	2018	2019	2020
UK production of GFR	100	96	85	85

Source: Questionnaire responses submitted by interested parties to TRA.

147. During the IP, UK production of these goods declined, and did not increase in line with the UK trend in consumption.

G5.1.2 Conclusion

148. The relatively small size of the UK market for GFR might reduce its attractiveness of the market to exporters. But the UK's reliance on imports, including from the PRC, suggests otherwise. The majority of UK production is exported which means that domestic demand is met through imports. This reliance on imports may make the UK an attractive market to foreign exporters and would increase the likelihood of PRC exporters exporting to the UK.

G5.2.1 Pricing of GFR, current and trends

149. The TRA has received limited cooperation from exporters in the PRC. We have not been able to find publicly available data on prices of GFR in the PRC during the POI. Price lists were received from UK-based interested parties, but we have not been able to verify the accuracy of this data and have not been assured that the price lists are representative of countrywide PRC domestic prices during the IP. We have therefore not been able to use these data submissions as indicators of PRC domestic prices of GRF.
150. The TRA considered the price trends for GFR in the UK using HMRC import data and questionnaire responses.
151. The price of GFR imports from the PRC to the UK during the IP was significantly less than the average UK market price (ranging from 73.9-79.3% of UK market price).
152. Data shows that the average UK market price increased in 2018 and 2019 but declined in 2020. The UK domestic price (based on confidential data on UK domestic sales) followed a downward trend across the IP. The average UK market price has not experienced volatile changes, and its relatively stable nature may be an attractive quality for an exporter.

G5.3 Specific environment and trends in the industry

153. No information has been received that suggests that the downstream industries have changed in a way that would affect the likelihood of subsidised imports occurring. In the absence of any such data, we have no reason to believe that the likelihood of subsidised imports has been affected by changes in downstream industries.

G5.4 Intensity of competition

154. The UK industry supplies a small proportion of the UK market; the majority of the UK market is supplied through imports from the EU. Table G7 and G8 below demonstrate the imports from PRC and total imports

Table G7: UK imports of GFR chopped strands.

		2017	2018	2019	2020
UK Imports from the PRC	Value (million £s)	0.2	0.2	0.1	0.1
	(% of total imports value)	0.9%	0.7%	0.5%	0.4%
	Volume (000 mT)	0.2	0.2	0.1	0.1
	(% of total imports volume)	1.0%	0.7%	0.5%	0.3%
	Price (£/mT)	959	988	1,040	1,163
	(% of average import price)	95.4%	96.6%	97.1%	113.2%
Total UK imports	Value (million £s)	24.3	30.3	24.3	24.1
	Volume (000 mT)	24.2	29.6	22.7	23.5
	Price (£/mT)	1,006	1,022	1,071	1,027

Source: HMRC Overseas Trade in Goods Statistics, 2022.

Table G8: UK imports of GFR rovings.

		2017	2018	2019	2020
UK Imports from the PRC	Value (million £s)	3.8	3.1	6.8	2.4
	(% of total imports value)	17.0%	14.8%	27.7%	15.2%
	Volume (000 mT)	4.8	4.2	8.6	3.2
	(% of total imports volume)	21.8%	21.1%	34.4%	20.0%
	Price (£/mT)	782.8	731.3	793.7	754.4
	(% of average import price)	78.2%	70.4%	80.5%	75.7%
Total UK imports	Value (million £s)	22.2	20.8	24.7	16.1
	Volume (000 mT)	22.2	20.0	25.1	16.2
	Price (£/mT)	1,001	1,039	986	997

Source: HMRC Overseas Trade in Goods Statistics, 2022.

155. The UK produces significantly less GFR for the domestic market than it consumes, the UK relies on imports of all types of GFR to meet domestic demand. This reliance on imports may make the UK an attractive market to exporters. EGF UK state that while they supply about 1/20th of the UK consumption, their production capacity could meet 100% of the needs of the UK market.

G5.5 Opportunity to differentiate products and services

156. EGF UK and Jiangsu have both submitted that domestically produced GFR products and imported GFR are identical in terms of physical characteristics, and therefore fully substitutable. EGF UK and BMDS have stated that there are differences in product quality and customer specific R&D that can differentiate UK-produced GFR from PRC-produced GFR, but that downstream industries could substitute GFR from another source if price changed significantly. GFR produced in the PRC are substitutable for most uses with GFR from other sources, and that product differentiation is a significant determinant of demand only when prices are similar. EGF UK state “there are no technical, chemical or physical differences between Glass Fibre from PRC or UK”.

G5.6 Legal restrictions / regulatory environment

157. There are no legal restrictions or regulatory requirements for importing GFR into the UK. Therefore there is no additional restrictions on exporters moving goods to the UK market.

G5.7 Conclusion – overall attractiveness of the UK market

158. The TRA has concluded that although the UK market is relatively small, and consumption has decreased in recent years, it may still be an attractive market for PRC exporters. There are no regulatory barriers, the UK produces fewer GFR than it consumes, and demand is predicted to rise following the Covid-19 pandemic.

G6. Whether exporters have previously or habitually circumvented or absorbed the effects of trade remedy measures

159. The TRA has not received any information indicating that PRC exporters are circumventing the measure via a third country in the conventional sense (see paragraph 160). To date, the EU has not conducted a circumvention review into the existing EU measure and nor is the TRA aware of any other trade remedy investigation looking at circumvention.

160. In 2011, the EU imposed anti-dumping measures on GFR from the PRC. In December 2013, the EU initiated a partial interim review following an application from EU GFR producers that imports of GFR from the PRC had continued despite the anti-dumping measure. Following this partial interim review, the EU increased the existing anti-dumping duty rates for all PRC exporters except for Jiangsu Changhai, New Changhai, and Tianma, who received a 0% tariff. The increased anti-dumping duty rates determined by this interim review were maintained in the expiry review in 2017 and were transitioned to the UK in 2020.
161. Following the EU anti-subsidy investigation and imposition of countervailing measure in 2014, GFR producers from the PRC built factories in Bahrain and Egypt and provided trans-national subsidies to those producers. In 2019, the EU initiated an anti-dumping investigation (case AD655)¹⁵ concerning imports of GFR from these two countries and subsequently in June 2019, an anti-subsidy investigation (EU investigation AS657)¹⁶ concerning imports of GFR from Egypt was initiated.
162. The anti-dumping proceedings were terminated because the complaint was withdrawn, but the anti-subsidy proceedings against Egypt continued and resulted in imposition of anti-subsidy duties in June 2020.¹⁷
163. A similar anti-dumping investigation was launched by India in 2020 concerning “Glass fibre articles” against Egypt and Bahrain with the same exporters sampled in both countries. As of 1st December 2021, Directorate General of Trade Remedies of India has recommended measures against both countries for all commodity codes starting 7019.¹⁸
164. This series of investigations establishing and maintaining the increased measures shows a precedent of multiple PRC exporters continuing to export despite trade remedy measures. In separate reviews the use of trans-national subsidies in Egypt and subsequent onward exports to the EU and the UK attempting to avoid existing trade remedy measures.
165. Exports from Egypt have increased since 2014, table G9 shows that Egypt was the fourth largest source of UK imports of GFR chopped stands and GFR

¹⁵ European Commission, investigation AD655 – history of proceedings, available at: https://trade.ec.europa.eu/tdi/case_history.cfm?ref=com&init=2397&sta=1&en=20&page=1&number=ad655&prod=&code=&country=all&proceed=all&status=all&measures=all&measure_type=all&search=ok&c_order=name&c_order_dir=Up (accessed 24 March 2022).

¹⁶ European Commission, investigation AS657 – history of proceedings, available at: https://trade.ec.europa.eu/tdi/case_history.cfm?ref=com&init=2404&sta=1&en=20&page=1&number=as657&prod=&code=&country=all&proceed=all&status=all&measures=all&measure_type=all&search=ok&c_order=name&c_order_dir=Up (accessed 24 March 2022).

¹⁷ Commission Implementing Regulation (EU) 2020/870, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0870&from=EN> (accessed 24 March 2022).

¹⁸ The 2021 regulation ([Republic of India Directorate General of Trade Remedies case 6/24/2020-DGTR on 01 December 2021](#)) stating Final Finding.

rovings in the POI. This shows that some PRC exporters have invested in Egypt and used Egypt as a platform for onward exports to the UK.

Table G9: Main source countries of UK imports of GFR chopped strands and GFR rovings during the POI.

Country	Volume of imports (mT)	Share of total volume of imports (%)
1. Belgium	9,687	24.4%
2. France	7,873	19.9%
3. Slovakia	6,979	17.6%
4. Egypt	3,843	9.7%
5. PRC	3,312	8.4%

Source: HMRC, Overseas Trade in Goods Statistics, 2022.

G6.1 Conclusion on whether exporters have previously or habitually circumvented the trade remedy measures

166. The exporters based in the PRC have attempted a form of circumvention by setting up third country production, and have received a trans-national subsidy from the PRC.
167. Although exporters based in PRC have reduced the exports of GFR over the IP they do nevertheless continue to export GFR to the UK.
168. The history of this form of circumvention via third country production and trans-national subsidies suggested that the PRC exporters would continue to export subsidised GFR to the UK market if the measure was revoked.

G7. Conclusions and findings

G7.1 Findings

169. The TRA has found that:

- Imports into the UK, of GFR from the PRC continued during the IP. Despite the low level of these imports, the PRC remained the largest source of UK imports for rovings during the POI.
- It is likely that subsidies in the PRC still exist and exporters in the PRC have continued to benefit from these schemes.

- PRC exporters have exported the relevant subsidised goods to third countries during the IP.
- The UK's reliance on imports of GFR to meet domestic demand, high level of substitutability of the goods and the limited regulatory barriers, makes the UK an attractive market for exporters from the PRC if the measure was revoked.
- PRC exporters have exported only a small proportion of their total exports of GFR to the UK during the POI.
- PRC exporters have exported GFR to the UK at a price lower than the average UK import price and the average UK market price.
- Exporters in the PRC have established production facilities in Bahrain and Egypt which export to the EU and UK, with Egypt now subject to countervailing measure, indicating the ability of the exporters in the PRC to circumvent the measures.

G7.2 Conclusion on subsidy likelihood

170. Considering these factors, the TRA find it likely that the importation of relevant subsidised goods would occur from the PRC if the countervailing measure no longer applied.

SECTION H: Likelihood of Injury Assessment

H1. Introduction

171. We are required under regulation 99A(1)(b) of the Regulations to consider whether injury to the UK industry in the relevant goods would occur if the countervailing duty was no longer applied (the likelihood of injury assessment).

172. In order to conduct the Likelihood of Injury Assessment, we considered:

- the current state of the UK industry;
- undercutting and/or underselling of the UK industry; and
- whether PRC producers could export quickly and at scale to the UK.

H2. The current state of the UK industry

H2.1 Output

173. Output of the UK producer has decreased over the IP, as shown in table H.1 below.

Table H.1: Volume of UK production, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Volume of UK production of GFR	100	96	85	85

Source: Questionnaire responses submitted by interested parties to TRA.

H2.2 Production capacity and production capacity utilisation

174. Capacity of the UK producer has decreased over the IP, as shown in table H.2 below.

Table H.2: UK production capacity and production capacity utilisation, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
UK production capacity for GFR	100	97	96	96
UK production capacity utilisation for GFR	100	99	89	89

Source: Questionnaire responses submitted by interested parties to TRA.

175. Production capacity was calculated based on a run time of 24 hours, 365 days a year, multiplied by a specified yield rate (which is impacted by a specified waste ratio). Whereas capacity utilisation was expressed as a percentage of the ratio between actual production and the calculated production capacity.
176. Capacity has decreased by 4% over the IP, whereas capacity utilisation has decreased by 11% over the same period.
177. During the verification visit, EGF UK clarified that the variation in output and therefore capacity utilisation year-on-year is related to the product mix and the number of bushings in use at any one time which in turn is dependent on the demand for particular grade of products.
178. EGF UK stated that if they cannot run the furnaces at a set minimum capacity, it is not economically feasible to continue the operations or invest in another rebuild which requires significant capital expenditure.

H2.3 Sales

Table H.3: EGF UK sales of GFR, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Domestic sales				
Volume of domestic sales	100	90	44	61
Value of domestic sales	100	88	42	54
Domestic sales as % of total value of sales	100	91	47	64
Export sales				
Volume of export sales	100	102	102	96
Value of export sales	100	97	94	86
Export sales as % of total value of sales	100	101	104	102
Total sales				
Total volume of sales	100	101	98	93
Total value of sales	100	97	90	84
Geographic distribution of sales (value)				
UK	100	100	50	67
Rest of World (indexed to 2018)	N/A*	100*	184*	170*
Europe	100	97	96	95

Notes: * EGF UK made no sales to 'Rest of World' in 2017 so 2018 was used as the base year (2018 = 100).

Source: Questionnaire responses submitted by interested parties to TRA, EGF UK financial statements (2018, 2019, 2020).

179. The value of sales has decreased by a larger proportion than the volume of sales. This can be attributed to the fact that EGF UK reduced their price per unit by 12% over the IP as shown in [Section H3. Undercutting of UK industry](#). Domestic sales volume and value decreased by 39% and 46% respectively over the IP.

H2.4 Profits

Table H.4: EGF UK profits, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Total profit before tax (EBIT) for whole company	100	-72	-1,439	-43
Profit margin of GFR (EBIT as a % of revenue)	100	-74	-1,592	-51

Source: EGF UK financial statements (2018, 2019, 2020).

180. EGF UK only produce goods within the scope of the investigation, so there has been no differentiation between the profit of the goods subject to review and the overall company profit.
181. The TRA has found that profits decreased by 143% over the IP. The reason provided as to why the profit figure in 2019 is so low is due to the impairment review of £43,230,000.¹⁹ EGF UK submitted a document to the TRA justifying this impairment. Here, they concluded that some of its assets may be impaired due to losses in the previous two trading years, reduced market demand in its major markets and inability to repay loans in the short term.
182. As stated in the previous section, the fall in profit rate during the IP can also be attributed to the fact that EGF UK reduced their price per unit by 12% over the IP.
183. EGF UK stated that because GFR production is highly capital intensive, producers need to obtain a certain level of profit (10-15%) to be able to finance recurring investment requirements and stay operational.

H2.5 Consumption

¹⁹ Details in notes 3(c) and 6 in the 2019 financial statements.

Table H.5: Volume and value of UK consumption, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Volume of UK consumption of GFR	100	106	99	84
Value of UK consumption of GFR	100	108	101	84

Source: Questionnaire responses submitted by interested parties to TRA; HMRC Overseas Trade in Goods Statistics, 2022.

184. Table H.7 above shows UK consumption data for the IP by volume and value. Consumption data was collated by adding the import data and the domestic sales data from EGF UK.
185. Although consumption of GFR increased between 2017 and 2018, it decreased in 2019 and again in 2020. Both the volume and value of consumption of GFR in 2020 was 16% lower than in was in 2017. This decline in consumption in 2020 could have been partly the consequence of Covid-19 pandemic as discussed in [Section H2.14.2 Covid-19 pandemic](#).

H2.6 Market share

Table H.6: Market share by volume, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
UK domestic sales	100	86	45	73
Imports from EU countries	100	87	78	97
Imports from non-EU countries (excluding PRC)	100	172	169	137
Imports from PRC	100	82	174	78
All imports	100	101	104	102

Source: Questionnaire responses submitted by interested parties to TRA; HMRC Overseas Trade in Goods Statistics, 2022.

Table H.7: Market share by value, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
UK producer	100	81	42	64
Imports from EU countries	100	91	82	97
Imports from non-EU countries (excluding PRC)	100	156	161	136
Imports from PRC	100	76	172	75
All imports	100	101	104	103

Source: Questionnaire responses submitted by interested parties to TRA;
HMRC Overseas Trade in Goods Statistics, 2022.

186. A small proportion of the UK market is supplied by UK industry and most of the market is supplied by foreign exporters.
187. The market share of EGF UK decreased by volume and value (27% and 36% respectively) over the IP, although total consumption only decreased by 16% (by both volume and value).
188. Although imports from non-EU countries (excluding the PRC) increased market share by volume and value (37% and 36% respectively) over the IP and imports from the PRC decreased by volume and value (22% and 25% respectively) over the IP, imports from the PRC in 2019 increased by volume and value (74% and 72% respectively) compared to 2017. An explanation of the decreased market share of imports from the PRC in 2020 may be due to the effects of Covid-19 pandemic, as discussed in [Section H2.14.2 Covid-19 pandemic](#). Therefore, this does not necessarily suggest that the decrease in the UK producer's market share is due to increased imports from non-EU countries (excluding PRC).

H2.7 Employment

Table H.8: EGF UK employment, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Total number of full-time equivalent (FTE) employees	100	105	115	109

Source: Questionnaire responses submitted by interested parties to TRA.

189. EGF UK increased employment during the IP, with a decrease in the POI compared to 2019. However, this is not in line with production, which decreased during the IP.

Table H.9: EGF UK employment, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Production	100	107	117	109
Sales and distributions	100	100	100	100
Administrative and management	100	98	109	111
Total	100	105	115	109
Agency workers	100	80	28	50

Source: Questionnaire responses submitted by interested parties to TRA, EGF UK financial statements (2018, 2019, 2020).

190. All GFR production takes place at EGF UK's plant in Wigan, and all manufacturing employees are involved in manufacturing the like goods.
191. As shown in Table H.8, the POI saw a decrease in employees attributed to production compared to 2019, although there was an increase in agency workers over the same period. EGF UK did not comment on these changes.
192. EGF UK stated that making staff redundancies would be a last resort should they be obliged to reduce costs. If the existing measure was revoked, EGF UK foresee that they will have to make redundancies and may ultimately need to cease UK production.

H2.8 Wages

Table H.10: EGF UK wages, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Mean wage for FTEs (including pension and national insurance costs)	100	107	102	105

Source: Questionnaire responses submitted by interested parties to TRA.

Table H.11: EGF UK mean wages, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Wages and salaries	100	87	91	98
Mean wage for FTEs	100	83	79	90

Source: EGF UK financial statements (2018, 2019, 2020).

193. Wages and salaries which include pension and national insurance costs increased by 5% over the IP. However, the mean wage for FTEs decreased by 10% over the IP.

H2.9 Productivity

Table H.12: EGF UK productivity, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Average output in volume per employee GFR (FTE)	100	91	74	78

Source: Questionnaire responses submitted by interested parties to TRA.

194. As a result of output decreasing and employment increasing, productivity decreased over the IP.
195. The TRA verified productivity with EGF UK and established that a small change in the number of employees did not have a significant effect on the average productivity data. This is because the furnaces run constantly in an operating cycle.

H2.10 Inventory

Table H.13: EGF UK inventory, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Volume of inventory at year end	100	140	103	81
Value of inventory at year end	100	133	122	102

Source: Questionnaire responses submitted by interested parties to TRA.

196. The increase in inventory in 2018 was explained by EGF UK as stockpiling in preparation for a furnace rebuild in that year. This explanation was reasonable since furnace rebuild costs were included as additional fixed asset costs during this period.
197. While the value of inventory changes due to market conditions, the volume held by EGF UK reduced by 19% over the IP.

H2.11 Ability to raise capital or investments

Table H.14: EGF UK investments, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Total investments	100	1036	82	104

Source: Questionnaire responses submitted by interested parties to TRA.

198. Furnaces typically have a 10-year life and require major investment to rebuild them. EGF UK provided the TRA with their fixed asset register which included the cost of furnace rebuilds. £13-20 million was spent on the rebuild of the smaller furnace. A rebuild of the larger furnace (which is due within the next five years) is expected to cost £24-32 million.

199. EGF UK finance investments through a combination of group loans and commercial bank loans which applies to the furnace rebuild in 2018. EGF UK's plan to rebuild one of their furnaces in the medium term is dependent on the repayment of outstanding loans.
200. EGF UK stated that they need to obtain a certain level of profit (10-12%) to be able to finance recurring investment requirements and stay in the UK market. Without the furnace investment, production of GFR would fall, unit costs would increase, and this would lead to decreased sales. As a result, it may not be economically feasible for EGF UK to continue its UK operations.
201. EGF UK provided no additional data for the TRA to consider on their ability to raise capital, or how their ability to raise capital may be impacted if the measure is revoked.

H2.12 Cash flow

Table H.15: EGF UK cash flow, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
Cash at bank and in hand	100	57	56	54

Source: Questionnaire responses submitted by interested parties to TRA, EGF UK financial statements (2018, 2019, 2020).

202. Cash flow from operations has been in decline through the POI. EGF UK carried out an impairment adjustment during 2019 however it is understood that this may be reversed in the period after the POI which is not under review. This is therefore considered not representative of actual cash flow from operations and has not been considered further.
203. Cash at bank and in hand has decreased significantly by 46% over the IP. EGF UK have not made any statements about why this was the case. This may be due to decreasing sales and increasing costs, as well as maintaining wages regardless of this loss of profitability.

H2.13 Factors affecting domestic price

204. GFR are produced in high volumes and largely according to short-term contracts (of two years maximum) or ad-hoc orders.
205. EGF UK's production costs have changed due to Covid-19 pandemic related government restrictions (as discussed in [Section H2.14.2 Covid-19 pandemic](#)) which led to prices of rhodium rising globally by approximately 6-8 times over the POI. The price of rhodium drives the cost of new and replacement platinum-

rhodium bushings, which are a key component and major cost of GFR manufacture.

H2.14 Other causes of injury

206. EGF UK has not identified any other potential causes of injury. We have, however, considered the impact of recent events on injury, EU exit and Covid-19.

H2.14.1 EU exit

207. The UK left the European Union (EU) on 31 January 2020 at 23:00 GMT but the UK remained part of the EU Customs Union and the EU Single Market until 31 December 2020 (end of the POI). The TRA published the Notice of Initiation on 29 January 2021.
208. New trading arrangements between the UK and EU for 2021 onwards were uncertain for a large proportion of 2020. Therefore, given the proximity of the questionnaire submission and EU exit, it is unlikely that EGF UK would be in a position to see the impact on the market following the UK's withdrawal from the EU.
209. EGF UK did not provide data on the effect of the UK's withdrawal from the EU on their business.
210. EGF UK's export sales represent approximately 96% by value of the company's total sales during the POI and their financial statements show that 89% of total sales is attributed to 'Europe'. The proportion of EGF UK's total sales attributed to Europe decreased by 5% over the IP so does not suggest that the EU exit has caused injury.

H2.14.2 Covid-19 pandemic

211. The Covid-19 pandemic occurred during the POI however the TRA has been unable to quantify the effect of the pandemic.
212. EGF UK stated that Covid-19 contributed to a decrease in budgeted sales volume by 20%, increased production costs (mainly due to the price of rhodium increasing by 6-8 times over the POI) and increased health and safety costs to adhere to government guidelines and labour costs to cover the expenses relating to isolating employees.
213. During the verification visit, EGF UK also advised that in the first half of 2020, the UK and EU downstream industries temporarily reduced capacities. One of their main customers (the automotive industry) was subject to strict Covid-19 lockdown measures and stopped all input purchases. After the strict lockdown

measures were lifted in 2020 Q4, demand for GFR increased significantly as users needed to re-fill stocks. This and the low availability and high cost of shipping container space led to a temporary supply shortage.

H2.14.3 State of the economy

Table H.16: UK GDP, 2017-2020 – indexed to 2017.

	2017	2018	2019	2020
UK GDP	100	102	103	94

Source: ONS, 2022.²⁰

214. Although the UK economy grew from 2017-2019, there was a decrease of 6% of nominal GDP over the IP. However, domestic sales of EGF UK decreased by 46% over the IP.
215. EGF UK have not stated anything explicitly about the UK economy in their questionnaire response, although they mentioned the Covid-19 pandemic several times which led to a contraction in economic activity.

Table H.17: UK inflation measured by the Bank of England, 2017-2020.

	2017	2018	2019	2020
What would £100 in 2017 cost in other years?	£100	£103.34	£105.99	£107.58

Source: Bank of England, 2022.²¹

216. As stated in [Section H2.8 Wages](#), the mean wage for FTEs did not keep up with inflation but decreased by 10% over the IP.

H2.14.4 General drop in demand for vehicles from 2017-2020

217. We also know that the manufacturing of cars and construction slowed significantly as seen in the tables below.

Table H.18: Number of cars produced in UK annually, 2017-2020.

	2017	2018	2019	2020
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²⁰ Source: Office for National Statistics, Gross Domestic Product: chained volume measures: seasonally adjusted £m, available at: <https://www.ons.gov.uk/economy/grossdomesticproductgdp/timeseries/abmi/qna> (accessed 30 March 2022).

²¹ Source: Bank of England, Inflation Calculator, available at: <https://www.bankofengland.co.uk/monetary-policy/inflation/inflation-calculator> (accessed 30 March 2022).

Yearly number of cars produced in UK	1,671,166	1,519,440	1,303,135	920,928
Indexed figures	100	91	78	55

Source: The Society of Motor Manufacturers and Traders (SMMT), 2022.²²

Table H.19: Total new work construction output in UK, 2017-2020.

	2017	2018	2019	2020
Total new work construction output in UK (£ million)	109,056	112,353	119,087	99,650
Indexed figures	100	103	109	91

Source: ONS, 2022.²³

H2.15 Conclusion

218. Even with the protection provided from the current measure in place, EGF UK (and therefore the UK industry) is in decline: most of the factors considered above have worsened over the IP.
219. Although UK consumption of GFR decreased by 16%, EGF UK's share of the UK market decreased by 39% over the IP. EGF UK identify that the loss of market share is due to subsidised imports.

H3. Undercutting of UK industry

220. Price undercutting occurs where subsidised goods are consistently priced lower than those of the like goods in the UK.

H3.1 Analysis of the UK market

Table H.20: Average price of GFR per unit, 2017-2020 – indexed to 2017.

²² Data is from the annual summary factsheets of The Society of Motor Manufacturers and Traders (SMMT): a) SMMT Motor Industry Facts 2018, available at: <https://www.smmt.co.uk/wp-content/uploads/sites/2/SMMT-Motor-Industry-Facts-June-2018.pdf> (accessed 30 March 2022); b) SMMT Motor Industry Facts 2019, available at: <https://www.smmt.co.uk/wp-content/uploads/sites/2/SMMT-Motor-Industry-Facts-May-2019-V2.pdf> (accessed 30 March 2022); c) SMMT Motor Industry Facts 2020, available at: <https://www.smmt.co.uk/wp-content/uploads/sites/2/SMMT-Motor-Industry-Facts-Oct-2020.pdf> (accessed 30 March 2022); and d) SMMT Motor Industry Facts 2021, available at: <https://www.smmt.co.uk/wp-content/uploads/sites/2/SMMT-Motor-Industry-Facts-August-2021.pdf> (accessed 30 March 2022).

²³ Source: Office for National Statistics, Construction statistics, Great Britain: 2020, available at: <https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/articles/constructionstatistics/2020> (accessed 30 March 2022).

	2017	2018	2019	2020
Domestic sales				
UK sales of UK producer	100	97	95	88
Imports				
Imports from EU countries	100	106	107	101
Imports from non-EU countries (excluding PRC)	100	93	97	100
Imports from PRC	100	94	101	97
All imports	100	103	102	101
Domestic sales and imports				
All UK sales	100	102	102	101

Source: Questionnaire responses submitted by interested parties to TRA, HMRC Overseas Trade in Goods Statistics, 2022.

221. PRC import prices have decreased by 3% over the IP, but UK domestic prices have decreased by 12% over the IP to try and maintain market share.
222. Over the IP, imports of GFR from the PRC undercut GFR from EGF UK by 20.0-29.9% before applying any customs duties, and 10.0-19.9% after applying the 7% MFN tariff.
223. The TRA has been made aware that if GFR from the PRC were to be exported to the UK at subsidised prices, buyers would shift their purchases to buy those rather than GFR sold by EGF UK. This is because they either have in the past and do now, and/or they have told us that they would. This would likely cause injury to EGF UK.

H3.2 Conclusion

224. The TRA considers it likely that PRC producers would sell GFR in the UK market at a price that undercuts UK producers.

H4. Are PRC exporters able to export to the UK market quickly and at volume?

225. Our analysis of PRC production capacity (as shown in [Section G4. Exports of subsidised goods to third countries](#)) shows that PRC producers have the ability and may have the incentive to sell significant volumes of GFR into the UK market.
226. The TRA has not been able to determine whether there have been any changes to production levels or inventories of GFR during the POI due to a lack of cooperation from PRC exporters. However, the TRA considers it likely that importation of GFR from the PRC would increase if the measure was revoked.
227. The TRA is satisfied that, on the balance of probabilities, it is likely that if the measure was revoked, PRC exporters would be able to and would have an

incentive to quickly export to the UK, and in increasing volumes were there an economic advantage for them to do so.

H5. Conclusions and findings – likelihood of injury assessment

228. Even with the protection provided from the current measure in place, EGF UK (and therefore the UK industry) is not in a growth stage but is retracting as most of the factors considered in [Section H2. The current state of the UK industry](#) have worsened over the IP. Although UK consumption could be met by the capacity of domestic production, domestic market share has fallen due to subsidised imports.
229. [Section H3. Undercutting of UK industry](#) shows that the TRA considers it likely that PRC producers would sell GFR in the UK market at a price which undercuts UK producers.
230. The undercutting analysis using HMRC Overseas Trade in Goods Statistics data indicates that PRC exporters and producers have the ability to enter the UK market at UK market prices. [Section G4. Exports of subsidised goods to third countries](#) shows that exports to third countries have been sold at prices below UK market price. It is likely that in order to compete and obtain market share, PRC exporters would undercut the UK price.
231. The undercutting and underselling of the UK industry would cause price suppression or price depression in the UK market as a consequence. The injury is likely to manifest through further reduction in market share and/or margin, resulting in reduced profit margins as EGF UK attempt to compete.
232. Existing PRC imports of GFR have contributed to vulnerability. The TRA is confident that the removal of the measures would worsen the position.
233. Considering these factors, on the balance of probabilities, we consider there to be a likelihood of injury to the UK industry by subsidised imports of GFR originating from the PRC if the current measure was revoked.

SECTION I: Economic Interest Test

I1. Introduction

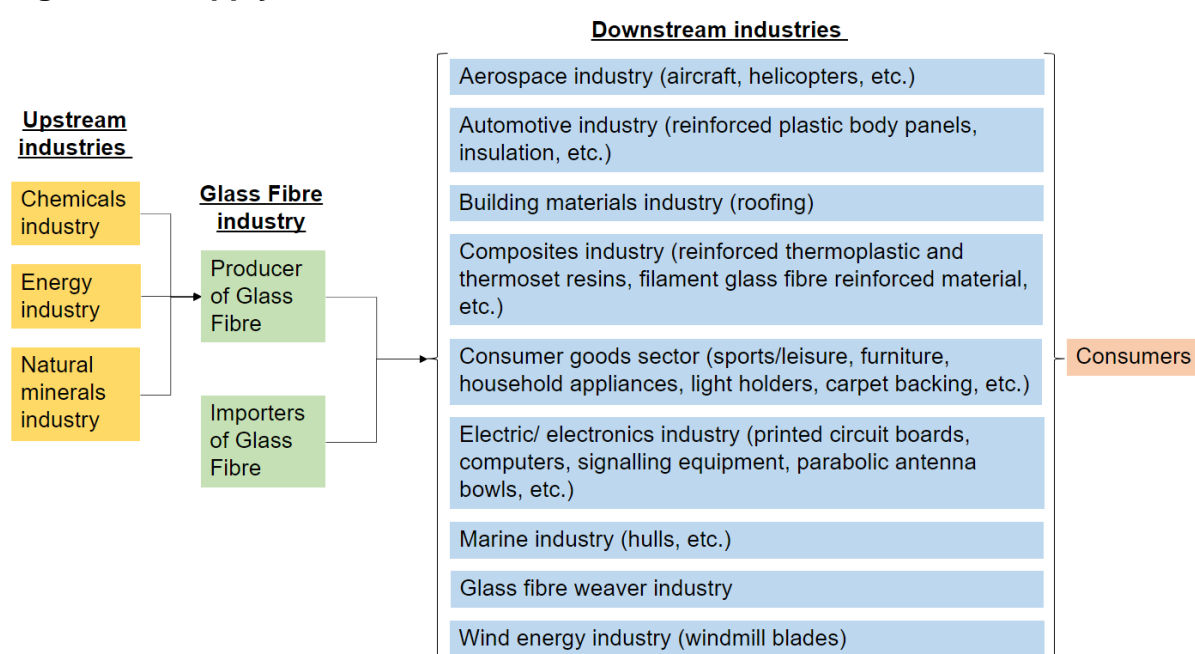
234. The aim of the Economic Interest Test (EIT) is to determine whether our intended recommendation to vary the measure and apply a countervailing amount on the goods subject to review imported from the People's Republic of China (PRC) is in the wider economic interest of the UK. This test is presumed to be met unless we are satisfied that the application of the remedy is not in the economic interest of the UK.
235. In accordance with paragraph 25 of Schedule 4 to the Taxation (Cross-Border Trade) Act 2018, the EIT is met in relation to the application of a countervailing remedy if the application of the remedy is in the economic interest of the United Kingdom.
236. In order to recommend maintaining the measure under regulation 100A(4)(b) and amending the description of the goods to which the measure applies under regulation 99A(2)(a)(ii), we must be satisfied that the application of the countervailing amount meets the EIT in accordance with regulation 100A(2) of the Regulations.
237. In line with paragraph 25 of Schedule 4 to the Act, the TRA has taken account of the following in conducting the EIT:
- the injury caused by the importation of subsidised goods to the UK industry, 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.

I2. UK supply chain overview

238. This review concerns GFR chopped strands and GFR rovings. GFR mats were excluded from the description of the goods to which the measure applies and are therefore not considered in the EIT.

239. UK market demand for GFR is met by the sole domestic producer, EGF UK, and importers.
240. In 2020 EGF UK fulfilled less than 5% of UK consumption of GFR by value, imports from the PRC fulfilled between 5% and 10% of UK consumption, and imports from other countries fulfilled between 85% and 90% of UK consumption. These market shares were calculated using data from the Companies House and the HMRC.
241. In 2020 the PRC was ranked the 12th largest source country of imported GFR chopped strands and the largest source country of imported GFR rovings. Other large source countries for imported GFR chopped strands included Belgium, France and Slovakia (ranked first, second and third respectively in terms of volume of imported GFR chopped strands). Imported GFR rovings were sourced from Egypt and Slovakia (after the PRC, ranked second and third respectively in terms of volume of imported GFR rovings).
242. Figure I.1 provides a simplified supply chain for GFR sold in the UK.

Figure I.1: Supply chain for GFR.



243. Manufacturing of GFR requires the use of natural minerals (for the batch) and chemicals (for the binder) as the main inputs. Manufacturing of GFR is also energy intensive.
244. Manufacturing of GFR is the first step in the glass-based lightweight materials value chain, with applications in a variety of downstream industries. Specific GFR characteristics and properties make them suitable for and used as reinforcement of plastics. Downstream industries include, among others,

composites industry, transportation (automotive, marine, aerospace), building and construction, electric/electronics, wind energy, as well as wider manufacturing of various consumer goods.

I3. Evidence base

245. We received questionnaire responses from:

- the sole UK producer, EGF UK;
- one importer, BMDS, who is also a downstream user of GFR. BMDS use them for manufacturing of glass reinforced plastic rooflights;
- one downstream user, Filon, who produces glass reinforced polyester products for building and construction, primarily rooflights;
- one trade association supporting glass manufacturing in the UK, British Glass Manufacturers' Confederation; and
- one trade association for the downstream composites industry representing the whole supply chain from material supplier through manufacturers to end-users, Composites UK.

246. In addition, we received pre-sampling questionnaire responses from:

- one importer, Buefa; and
- one downstream, HSD, who produces glass reinforced polyester roofing products.

247. We have supplemented these submissions with background research and collated additional data and information from sources such as Companies House, ONS (Nomis) and HMRC (Overseas Trade in Goods Statistics and Find UK Traders tool).

I4. Injury caused by subsidised imports and benefits to the UK industry in removing injury

248. Sections F and H discuss the results of the necessary or sufficient consideration and injury likelihood assessment.

249. The injury likelihood assessment concluded that injury to UK industry would be likely to occur were the measure to no longer apply. It established that UK industry was already in an economically vulnerable position in the PoI: EGF UK have seen loss of market share, fall in domestic sales price, fall in domestic sales volume, and decreased profits over the IP.

250. The measure will prevent further injury to EGF UK, who may be able to stay operational and finance the investment in periodic rebuild of furnaces which they told us is a precondition for their continued UK market operations.

I5. Economic significance of affected industries and consumers in the UK

251. This section sets out the relative size and economic significance of the relevant industries and consumers within the GFR supply chain.

252. The following groups have been identified as potentially being affected by the measure:

- upstream industries;
- UK producer of GFR;
- importers of GFR;
- downstream industries; and
- consumers.

I5.1. Upstream industries

253. The main upstream industries in the supply chain for GFR include chemicals, energy, and natural minerals industries. We selected these three industries because GFR were identified to be potentially significant to these industries based on sales to EGF UK as a percentage of turnover.²⁴

254. We selected seven firms, named by EGF UK as their upstream suppliers, for whom sales to EGF UK were greater than 1% of turnover, and for whom data was available from the Companies House. Gross Value Added (GVA)²⁵ of the sampled upstream suppliers of EGF UK was circa £147.8m in 2020, with circa £7.4m of the GVA related to GFR supply chain.

255. Data from EGF UK on purchases of raw materials and data from these selected suppliers on turnover show the following:

- Purchases of chemicals by EGF UK accounted for less than 1% of the supplier's turnover.

²⁴ For example, we concluded that upstream industries such as the packaging and cleaning industries were more generic and not dependent on the supply chain for GFR.

²⁵ Gross Value Added (GVA) measures the value of the goods and services produced by a business or industry in a period. GVA is estimated by adding operating profits, employment costs, depreciation and amortisation.

- Purchases of energy by EGF UK accounted for between 20 to 30% of the supplier's turnover.
- Purchases of oxygen by EGF UK accounted for less than 5% of the supplier's turnover.
- Purchases of natural minerals by EGF UK were on average less than 5% of turnover of the suppliers.

256. Purchases and turnover data indicate that the effect of the measure on certain upstream suppliers (for example, energy supplier) may be significant. Considering, however, that the selected upstream industries consist of a number of businesses (for example, energy industry consists of numerous energy suppliers and EGF's energy supplier accounted for less than 1% of the UK energy industries GVA of £40.8bn²⁶) suggests that upstream industries are not highly dependent on the supply chain for GFR.

I5.2. UK producer of GFR

257. The sole UK producer, EGF UK, employed 251 people in 2020 and their total GVA was circa £10.7m during 2020.²⁷ All their production is related to manufacturing of GFR. EGF UK does not produce or sell other products.

I5.3. Importers of GFR

258. Due to limited participation from importers, we used the HMRC data to identify traders that imported GFR. We identified 38 companies, which had imported GFR under the two 8-digit commodity codes in 2020.²⁸ We analysed the top five importers of chopped strands and the top five importers of rovings in 2020, for whom financial data was available from the Companies House.

259. The selected importers collectively employed around 600 staff, had a turnover of circa £217.9m, GVA of circa £28.0m in 2020, and GVA related to the GFR supply chain of circa £12.1m.

²⁶ Department for Business, Energy and Industrial Strategy, and National Statistics, UK Energy In Brief 2021, available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1032260/UK_Energy_in_Brief_2021.pdf (accessed 8 April 2022). Gross Value Added (GVA) estimate from ONS, available at: <https://www.ons.gov.uk/economy/grossvalueaddedgva/timeseries/abml/qna> (accessed 8 April 2022).

²⁷ Figures are calculated using data from Companies House, 'EGF UK: Annual Report and Financial Statements for the Year Ended 31 December 2020', available at: <https://find-and-update.company-information.service.gov.uk/company/10269432/filing-history/MzMxNTg4NDIzNWFKaXF6a2N4/document?format=pdf&download=0> (accessed 24 March 2022).

²⁸ Note that the HMRC Find UK Traders tool captures UK importers who trade with non-EU countries only. Data do not report country of origin nor do they report volume or value of transactions. For further information, see: <https://www.uktradeinfo.com/find-uk-traders/help/> (accessed 24 March 2022).

15.4. Downstream industries

260. A qualitative industry-wide analysis of economic significance was undertaken for the known downstream industries. This was due to limited participation from downstream users and consequently limited data and evidence.
261. The automotive industry uses GFR in reinforced plastic body panels and for insulation. The automotive industry added circa £15.3bn in GVA and employed circa 200,000 workers in 2019.²⁹ Although the automotive industry makes a significant contribution to the UK economy, EGF UK note that GFR make up only a small proportion (0.5% or less) of the cost of a car. This suggests that the GVA of the automotive industry that is related to the GFR supply chain is likely to be much lower than the total GVA of the industry.
262. EGF UK note that GFR are predominantly used as inputs to reinforce composites. Almost 90% of the reinforcements used in composites are GFR.³⁰ The major cost associated with composite materials is typically the reinforcement element, which is usually GFR.³¹
263. Composites UK have over 360 members. The extent of each individual members' involvement in the GFR supply chain is unknown to us. In addition, Composites UK state that around 1,400 firms are involved in the composites supply chain.
264. GFR are the primary material used in the construction of GFR hulls for the recreational boat and yachts. Approximately 550 businesses operated in this industry in 2020, which employed over 10,500 staff and had a combined market size of £957m.³²
265. Most wind turbine blades are made of GFR. Wind turbines constitute the largest share of the cost of energy production (29.0%).³³ The UK has the largest

²⁹ The Society of Motor Manufacturers and Traders, 'SMMT Motor Industry Facts 2021', available at: <https://www.smmt.co.uk/wp-content/uploads/sites/2/SMMT-Motor-Industry-Facts-JULY-2021.pdf> (accessed 24 March 2022).

³⁰ PharmiWeb.com, 'Glass Fiber Reinforced Plastic (GFRP) Composites Market 2021 Outlook, Current and Future Industry Landscape Analysis 2027', available at: <https://www.pharmiweb.com/press-release/2021-11-18/glass-fiber-reinforced-plastic-gfrp-composites-market-2021-outlook-current-and-future-industry-la> (accessed 24 March 2022).

³¹ Composites UK, 'How Much Do Composites Cost Compared To Other Materials?', available at: <https://compositesuk.co.uk/composite-materials/properties/costs> (accessed 24 March 2022).

³² IBISWorld, 'Recreational Boat & Yacht Building in the UK – Market Research Report', available at: <https://www.ibisworld.com/united-kingdom/market-research-reports/recreational-boat-yacht-building-industry/> (accessed 24 March 2022).

³³ Low Carbon Innovation Coordination Group, 'Technology Innovation Needs Assessment (TINA), Offshore Wind Power Summary Report', available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/593464/Refreshed_OSW_TINA_Summary_Report_March2016.pdf (accessed 24 March 2022).

offshore wind farm in the world, which employed 7,200 FTE workers in 2019.³⁴
The turnover of the wind energy industry was £6bn in 2019.³⁵

266. We also identified other downstream industries that use GFR as inputs in production. Due to limited evidence we are unable to determine the extent to which GFR are used in these industries. These downstream industries include: aerospace, building materials, consumer goods, electric/electronics and glass fibre weaver industries.

15.5. Summary table

267. Table I.1 presents evidence in relation to the economic significance of the potentially affected industries. Based on the available evidence, it appears that upstream as well as downstream industries are larger – in terms of number of employees, GVA and turnover – than UK producer and UK importers of GFR taken together. This is not surprising considering both the range of raw materials that are used in manufacturing of GFR, and the numerous applications of GFR in downstream industries as explained earlier.
268. The estimates of the economic significance of different industry groups are only indicative but they are not directly comparable. For example, UK producer data are specific to GFR while estimates for other industry groups are based on available data that may capture broader activities (i.e. activities related and unrelated to the GFR supply chain).

³⁴ ONS, 'Wind Energy in the UK', available at:
<https://www.ons.gov.uk/economy/environmentalaccounts/articles/windenergyintheuk/june2021#wind-energy-data> (accessed 24 March 2022).

³⁵ ONS, 'Wind Energy in the UK', available at:
<https://www.ons.gov.uk/economy/environmentalaccounts/articles/windenergyintheuk/june2021#wind-energy-data> (accessed 24 March 2022).

Table I.1: Significance metrics for the UK stakeholders potentially affected by the proposed measure.

	Producer	Importers	Upstream suppliers	Downstream users
Total known businesses, of which:	1	38	24	46
Registered interest in investigation	1	2	0	2
Submitted full questionnaire response	1	1	0	1
Figures based on selected businesses				
Number of selected businesses	1	6	7	6
Total GVA (£m), 2020	10.7	28.0	147.8	224.0
Total GVA related to GFR supply chain (£m), 2020	10.7	12.1	7.4	Unknown
Number of employees, 2020	251	608	1,619	6,156
Turnover (£m), 2020	44 of which 1.8 from UK sales	217.9	429.5	573.0

Notes: There can be an overlap between different industry groups. For example, some downstream users import GFR directly. We assigned all selected firms to a single industry group based on their primary activities to avoid double counting. Due to limited data, we were unable to estimate what share of total GVA was related to the GFR supply chain for the selected downstream users.

Source: Questionnaire responses submitted by interested parties to TRA; HMRC, 2022; Companies House, 2022.

I5.6. Consumers

269. Due to consumers being several steps removed from the manufacturing of GFR it was not possible for us to identify any particular consumer groups and assess their economic significance.

I6. Impacts on affected industries and consumers

270. This section assesses how prices and quantities along the GFR supply chain may change under two scenarios: a) one where the measure is varied as proposed, and b) one where it is revoked. The possible impacts for affected industries and consumers are then considered and compared across the two scenarios.

16.1. Price and quantity changes if the measure was varied as proposed

271. If the measure was varied as proposed, imports of GFR chopped strands and GFR rovings from the PRC would continue to face a tariff at the same level, and imports of GFR mats would face no countervailing tariff. Where the existing duty rates on GFR remain unchanged, the UK market prices of GFR are unlikely to change – both prices of domestically produced and imported GFR. We also do not expect any significant impact on quantities of GFR produced in the UK, exported from the UK or imported into the UK. Prices of GFR mats could decrease and quantities of GFR mats imported could increase, where these changes will also depend on changes in the UK demand for GFR mats.

272. EGF UK maintain that if the measure was varied as proposed, this will enable them to remain in the UK market and finance the upcoming rebuild of their existing furnace and subsequently to help them increase their share of the UK market in the future. With a broad range of uses and applications of GFR in downstream industries, which EGF UK claim are fast growing, there is a potential for domestic production of GFR to increase to meet this expected growth in demand for GFR in the medium- to long-term.

Table I.2: Expected impacts on prices and quantities of affected products if the measure was varied.

Products	Prices	Quantities
Upstream products	No change	No change
Domestically produced GFR	No change	No change. Possible increase in quantity produced in the UK dependent on a) investment, and b) growth in demand for GFR from downstream industries in the medium- to long-term.
Imported GFR	No change for GFR chopped strands and GFR rovings. Possible decrease in prices of GFR mats.	No change for GFR chopped strands and GFR rovings. Possible increase in quantities of imported GFR mats. In addition, possible increase in quantity imported to the UK dependent on growth in

		demand for GFR from downstream industries in the medium- to long-term.
Downstream products	No change	No change

16.2. Price and quantity changes if the measure was revoked

273. In principle, removal of tariffs normally leads to lower prices of imported goods, and overall lower UK average market prices. Currently, imports of GFR from the PRC are subject to ad valorem countervailing duty rate ranging from 4.9% to 10.3%.³⁶
274. EGF UK expect that if the measure on GFR from the PRC was revoked, this would lead to an initial decrease in the UK market price of GFR. However, EGF UK state that if the measure was revoked, foreign exporters from the PRC will have sufficient market power to set higher prices in the future. We consider that the existence of third country suppliers would curtail the market power of PRC suppliers.
275. BMDS also expect that revocation of the measure would lead to lower UK market price of GFR. In contrast to EGF UK, BMDS do not comment on whether following an initial decrease UK market price of GFR may increase in the medium- to long-term.
276. Revocation of the measure is unlikely to directly reduce prices of GFR imported from other third countries because this measure does not apply to third country imports. However, third country suppliers may respond to price changes of PRC exports by reducing their own prices.
277. Concerning quantities, EGF UK state that the revocation of the measure, and resulting price competition from PRC exporters, would make UK production of GFR economically unfeasible. This would result in reduced UK manufacturing of GFR initially (while existing furnaces continue to operate during their remaining lifetime) but would eventually lead to cessation of UK manufacturing of GFR in the medium- to long-term. If UK manufacturing of GFR stopped, the UK would be completely reliant on imports without any domestic sources of supply.
278. It must be noted that only a small proportion of sales of EGF UK are in the UK, and most sales are destined for exports. In principle, export sales of EGF UK will not be affected if the measure was revoked.
279. BMDS do not provide any evidence on how UK production of GFR is likely to be affected if the measure was revoked. BMDS state that the revocation of the measure would enable them to increase production of downstream products,

³⁶ List of countervailing duty rates is in the [Annex 1](#).

thus signalling possible increase in UK imports of GFR from the PRC. BMDS, however, do not quantify any of these changes.

280. Revocation of the measure is expected to benefit downstream industries that use GFR – and in particular, GFR imported from the PRC – in production. Lower costs of inputs could lead to lower prices of downstream products, albeit prices are often characterised by downward rigidity. Any changes in quantities of downstream products supplied are uncertain.

Table I.3: Expected impacts on prices and quantities of affected products if the measure was revoked.

Products	Prices	Quantities
Upstream products	No changes are expected.	No changes are expected.
Domestically produced GFR	Decrease in prices of domestic supply because of downward pressure on prices.	Decrease in quantity of domestic supply in the short-term. Possible cessation of domestic supply in the medium- to long-term.
Imported GFR	Decrease in prices of foreign supply from the PRC in the short-term as duties are removed. Possibility of higher prices in longer term if PRC exporters gain market power, but will be curtailed by third country suppliers.	Increase in quantity of foreign supply from the PRC as it becomes more price-competitive.
Downstream products	Possible decrease in prices because of lower costs of inputs, but depends on share of GFR in costs of production (COP). However, prices are often characterised by downward rigidity.	Any changes in quantity of supply of downstream products are uncertain and speculative.

I6.3. Likely impacts on affected industries and consumers

281. Building on our assessment of the possible impacts of either varying or revoking the measure, we consider the possible impacts on affected industries and consumers below.

I6.3.1. Upstream industries

282. We did not capture direct industry views on possible impacts of measure on upstream industries because no upstream suppliers participated in this investigation.
283. We expect that the impact on upstream industries of the measure being varied as proposed or of the measure being revoked would be minimal, and unlikely to have any negative impact. This is because upstream industries do not appear to be highly dependent on the supply chain for GFR: raw materials and inputs such as chemicals and natural minerals have a range of downstream applications and uses.

16.3.2. UK producer of GFR

284. If the measure was varied as proposed, this could help EGF UK to maintain or, as argued by EGF UK, increase their market share. EGF UK consider investment in the upcoming rebuild of their existing furnace, but also improvement in product quality and performance, cost reduction and new product development as factors that will enable a steady sustainable improvement in market share. They argue that any increase in market share will in turn enable them to continue their R&D and innovation efforts to develop new applications and markets.
285. It is not clear if an increase in EGF UK's market share would translate into increased employment or higher wages. R&D and innovation efforts can have wider positive impacts in general, but we do not have any specific evidence on this for the GFR supply chain.
286. If the measure was revoked, UK prices of GFR would fall and EGF UK's profit would fall as a result. EGF UK claim that any decrease in UK prices of GFR and in their profits would make it more difficult for them to cover their operating costs. Without a profit level that allowed EGF UK to cover their operating costs, EGF UK would not be able to finance recurring investment requirements and stay operational. This is because they do not derive revenue from any other manufacturing and production activities. As a result, the revocation of the measure could lead to cessation of UK manufacturing of GFR in the medium- to long-term.
287. EGF UK make it clear that they see redundancies as a last resort but that they may be unavoidable, especially if the revocation of the measure leads to price undercutting by PRC exporters and the loss of market share. This could put 251 jobs at their plant in Wigan at risk: circa 200 production jobs and circa 50 jobs in administration and management, and sales and distribution.
288. We believe that closing the UK production plant and exiting the UK market is a commercial decision for EGF UK, which will be influenced by a range of different factors including the business environment and the state of the UK

economy. However, with the fixed production costs there is a risk that if the measure was revoked and this caused injury to EGF UK it would not be feasible for EGF UK to continue running the UK production plant.

289. The UK sales of EGF UK, however, constitute a small proportion of their overall sales, which we expect would limit any negative impact on the overall profitability of EGF UK. This is because we expect that export sales of EGF UK will not be affected if the measure was revoked.

I6.3.3. Importers of GFR

290. If the measure was varied as proposed, this would represent a status quo for domestic importers of GFR chopped strands and GFR rovings, and is unlikely to have a disproportionately negative impact on domestic importers. In addition, domestic importers of GFR mats would actually benefit if the measure was varied as proposed as we propose to exclude GFR mats from scope of the transition review.
291. Importers of GFR from the PRC could directly benefit from the revocation of the measure. This is because the revocation of the measure would enable them to increase profits due to lower costs associated with importation.
292. Importers of GFR from other third countries could arguably also benefit from the revocation of the measure if third country imports of GFR could meet some of the UK market demand.
293. BMDS maintain that their business will be more competitive if the measure was revoked. BMDS specifically mention current competitive pressures from foreign exporters of downstream products in the PRC and Turkey. BMDS maintain that if the measure was revoked, this could lead to an increase in sales and production volumes, and in employment levels. However, BMDS admit that any estimate of an increase in sales would be speculative.

I6.3.4. Downstream industries

294. Where downstream industries use GFR from the PRC in manufacturing of downstream products, they stand to directly benefit from the revocation of the measure due to lower prices of their inputs. Dependence on GFR as inputs in production – and therefore the possible gains from the revocation of the measure – is larger for those downstream industries where GFR accounts for a larger share of the total cost of production.
295. BMDS say that any industry that uses GFR would benefit if the measure was revoked. BMDS specifically mention boat building (ranging from manufacturers of small kayaks to manufacturers of super yachts and minesweepers), other construction products and glass reinforced thermoplastics (widely used in other

industries including automotive) as examples of downstream industries that would benefit from revocation of the measure.

- 296. Filon state that if the measure was revoked, this would enable them to become more competitive against imported finished products. Filon do not give clear indication of the possible impact of the revocation of the measure on their employment, wages, market share and investment or expansion plans.
- 297. EGF UK admit that there are likely to be short-term gains from lower UK prices of GFR if the measure was revoked, but they argue that loss of R&D and innovation would harm the interests of domestic downstream users.
- 298. Furthermore, EGF UK argue that cost gains from lower UK prices of GFR to downstream users are likely to be small because the manufacturing of GFR is only the first step in the glass-based lightweight value chain, where subsequent steps in the value chain add value to manufacture final goods.
- 299. As illustration, EGF UK estimate that GFR make up only a small proportion (0.5% or less) of the cost of a car. We are unable to determine how precise this estimate is but we agree that cost of GFR as inputs in manufacturing of certain downstream products may be small. We would require evidence that quantifies the importance of GFR in costs of production, total costs, and in prices of various downstream products to more accurately assess the possible impact of the measure on various downstream industries.

16.3.5. Consumers

- 300. The impact on final consumers of the measure being varied as proposed or the measure being revoked could be small. This is because GFR are used as intermediate inputs rather than final goods, and they are the first step in the glass-based lightweight materials value chain. Any price increase of GFR is less likely to lead to any significant increase in price of consumer goods the further along the GFR value chain these consumer goods are – and the greater the value added at intermediate production steps, including costs of other inputs and materials.
- 301. There are certain consumer goods that use GFR as inputs in production, including sports and leisure equipment (for example, skis) and household appliances (for example, heat and freeze appliances). For these downstream products and assuming that manufacturing of these downstream products takes place in the UK, there are potential benefits from the revocation of the measure to consumers. However, we have no information about the UK-based manufacturers of consumer goods that use GFR as inputs in production. In addition, prices are often characterised by downward rigidity: decrease in prices of GFR may not necessarily translate to lower prices of downstream products that could benefit consumers.

302. Any negative impacts of the measure on final consumers could be minimised by incomplete cost-to-price pass-through. It is, however, likely that the measure could impose additional costs on final consumers in aggregate terms, even if the impact is very small at an individual level.

Table I.4: Expected impacts on affected groups if the measure was varied as proposed rather than revoked.

Group	Expected impacts
Upstream industries	No or minimal impacts on upstream industries, as little dependency of upstream industries on the supply chain for GFR.
Domestic producer	Possible positive impacts including future investment or expansion of economic activities, improvement in market share and R&D and innovation efforts.
Domestic importers	No or minimal impacts on domestic importers of GFR chopped strands and GFR rovings, as no or little change in circumstances. Positive impacts on domestic importers of GFR mats.
Downstream industries	Additional costs imposed on downstream industries, especially those that use GFR imported from the PRC.
Consumers	Additional costs imposed on final consumers in aggregate terms, but very small impact on individual consumers.

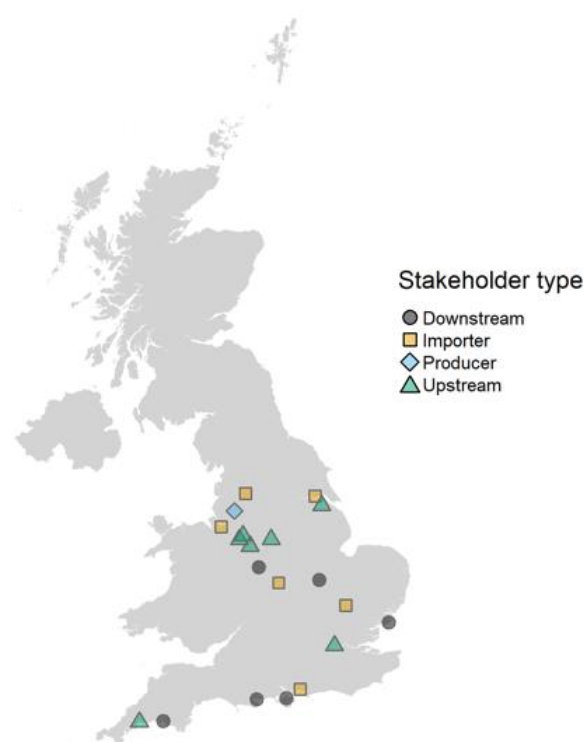
I7. Likely impact on particular geographic areas, or particular groups in the UK

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

I7.1. Distribution of stakeholders

Figure I.2

Figure I.2: Locations of UK businesses that are part of UK GFR supply chain.



Notes: Map shows on the location of selected businesses from the economic significance section.

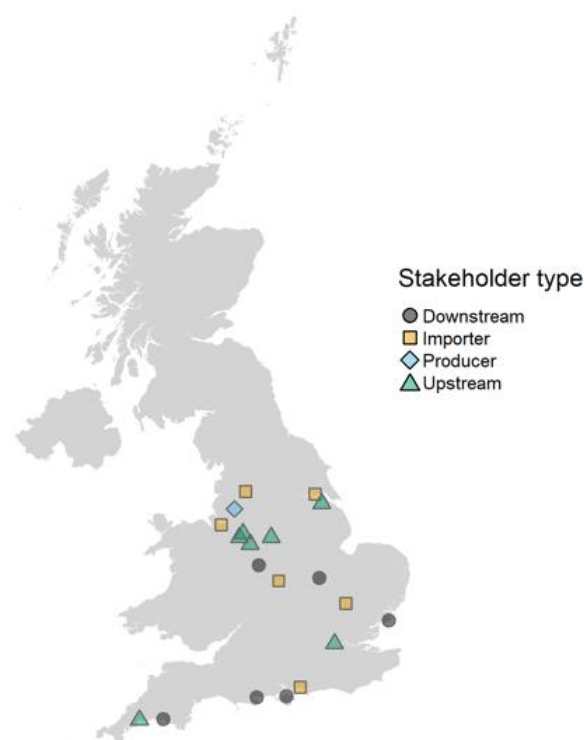
Source: Questionnaire responses submitted by interested parties to TRA; HMRC, 2021; Companies House, 2021. Contains National Statistics data © Crown copyright and database right 2021 and OS data © Crown copyright and database right 2021.

304. shows the geographic distribution of selected businesses involved in GFR supply chain across the UK. There is a cluster of businesses in the North West of England and around London.³⁷ The cluster in the North West of England includes the domestic producer, its upstream suppliers and certain downstream users.

305. In contrast to upstream suppliers, most downstream users as well as domestic importers are geographically spread across the UK.

³⁷ Map shows individual companies' registered office address, which may be different from locations of physical production plants. This may explain why there is a cluster in London (i.e. headquarters).

Figure I.2: Locations of UK businesses that are part of UK GFR supply chain.



Notes: Map shows on the location of selected businesses from the economic significance section.

Source: Questionnaire responses submitted by interested parties to TRA; HMRC, 2021; Companies House, 2021. Contains National Statistics data © Crown copyright and database right 2021 and OS data © Crown copyright and database right 2021.

I7.2. Likely impact on particular areas

306. The following particular areas were identified to be of interest as potentially affected by the measure:

- Wigan – location of GFR production plant of EGF UK and cluster of upstream suppliers and certain downstream users;
- Coventry – location of participating importer, BMDS; and
- Lichfield – location of participating downstream user, Filon.

I7.2.1. Upstream industries

307. We previously concluded that upstream industries are not highly dependent on the supply chain for GFR. Therefore, we do not expect any disproportionately negative effects on any of the local authority districts of the selected upstream

suppliers from either the measure being varied as proposed or the measure being revoked.

17.2.2. UK producer of GFR

308. EGF UK state that there is likely to be negative economic impact on Wigan and the surrounding areas if the measure was revoked. This is because revocation of the measure – if it leads to further undercutting of prices by foreign exporters in the PRC and if it makes it more difficult for domestic producer to cover their operating costs – could lead to closure of the existing production plant in Wigan.
309. This, according to EGF UK, could lead to a loss of approximately 4,000 jobs that directly and indirectly depend on this production plant. However, our analysis found that only few individual upstream suppliers were dependent on the GFR supply chain and therefore, likely to be significantly affected by the revocation of the measure. Given limited evidence provided to us, we are not able determine whether and how many jobs could be lost in addition to the 251 workers employment by EGF UK if the measure is revoked.³⁸
310. The UK sales of EGF UK constitute a small proportion of their overall sales, which we expect would limit any negative impact of the revocation of the measure on the overall economic viability of EGF UK's production plant in Wigan.
311. In addition to employment, there is also likely to be negative impact on wages in the local area. This is because the average salary paid by domestic producer in 2020 – which stood at £35,000³⁹ – was approximately 40% higher than the Wigan average salary of £25,000.⁴⁰ In addition, in 2020 Wigan was in the second decile in terms of average salary when compared against other local authority districts across the UK.⁴¹

³⁸ In 2020, the Wigan production plant employed 251 staff, most of them in production, with smaller number of staff in sales and distribution, and administrative and management. Source: Companies House, 'EGF UK: Annual Report and Financial Statements for the Year Ended 31 December 2020', available at: <https://find-and-update.company-information.service.gov.uk/company/10269432/filing-history/MzMxNTg4NDIzNWFKaXF6a2N4/document?format=pdf&download=0> (accessed 24 March 2022).

³⁹ Total wages and salaries bill of £8,689,000 (excluding social security costs and other pension costs) and number of employees of 251 FTE. Source: Companies House, 'EGF UK: Annual Report and Financial Statements for the Year Ended 31 December 2020', available at: <https://find-and-update.company-information.service.gov.uk/company/10269432/filing-history/MzMxNTg4NDIzNWFKaXF6a2N4/document?format=pdf&download=0> (accessed 24 March 2022).

⁴⁰ ONS, Earnings and hours worked, place of work by local authority: ASHE Table 7, 2021, available at: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofworkbylocalauthorityashtable7> (accessed 24 March 2022).

⁴¹ First decile implies lowest average salary and tenth decile implies highest average salary.

312. Overall, potential job losses as well as production plant closure could have some negative effects on Wigan and the surrounding areas.

I7.2.3. Importers of GFR

313. Due to limited participation of domestic importers we are unable to quantify any impacts on particular geographic areas where they are located.

314. BMDS state that they are not aware of any regional impacts of the measure. We do not expect any disproportionately negative effects on Coventry because the number of workers at the production plant of BMDS represents less than 1% of the total working-age population in the local authority district.

I7.2.4. Downstream industries

315. Due to limited participation of downstream industries we are unable to quantify any impacts on particular geographic areas where they are located.

316. BMDS state that they are not aware of any regional impacts of the measure. They add that industries using GFR are spread all across the UK as there is a large variety of applications and a mix of small to large businesses.

317. Filon do not identify any particular geographic impacts of the measure. We do not expect any disproportionately negative effects on Lichfield because number of workers at the production plant of Filon represents less than 1% of the total working-age population in the local authority district.

I7.3. Likely impact on particular groups

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

319. No party provided any evidence with respect to potential impacts on any particular groups, either as workers or consumers. GFR have a broad range of applications and they are not sold directly to final consumers who are further down the supply chain, which makes it less likely for them to be negatively affected.

320. Therefore, there are no obvious impacts on groups with protected characteristics or other groups which might result from the variation or revocation of the measure.

I8. Impacts on the competitive environment

321. The assessment of likely consequences for the competitive environment and structure of the UK GFR market considers the impact on the:

- number or range of GFR suppliers;
- ability of GFR suppliers to compete;
- incentives to compete vigorously; and
- choices and information available to consumers.

322. UK market demand for GFR is met by EGF UK and domestic importers, with imported GFR being dominant source of supply. In 2020, a small proportion of UK consumption of GFR was fulfilled by EGF UK, whose sales were predominantly export sales. Imports from the PRC fulfilled between 5% and 10% of UK consumption of GFR. In 2020 the PRC was ranked the 12th largest source country of imported GFR chopped strands and the largest source country of imported GFR rovings.

18.1. Impact on the number or range of suppliers

323. If the measure was varied as proposed, this will enable EGF UK to continue their UK operations and serve the UK market. There is not any reason to believe that the measure will in any way impact on the ability of foreign exporters to serve the UK market, especially where EGF UK only fulfils a relatively small proportion of the UK consumption.

324. Revocation of the measure could in the short-term open up the UK market to a greater number and a greater range of suppliers from the PRC, for whom the costs of supplying the UK market are at present too high. Arguably, revocation of the measure could also lead to entry of new suppliers from other third countries. However, revocation – if it leads to further undercutting of prices by PRC exporters and if it makes it more difficult for EGF UK to cover their operating costs – could mean that it is not economically feasible for EGF UK to continue their UK operations over the medium- to long-term.

325. If EGF UK were to exit the UK market, this could make the UK economy completely dependent on imports of GFR from abroad. Revocation of the measure could, therefore, over the longer term mean a loss of domestic supply and hence, a less diverse range of suppliers.

18.2. Impact on the ability of suppliers to compete

326. If the measure was varied as proposed, there would be no impact on the ability of suppliers to compete. EGF UK emphasise that the continued application of the measure is the prerequisite for them to sustain competitive pressure from PRC exporters.

327. If the measure was revoked, this would lower the barriers to imports of GFR from the PRC, making it likely that imports of GFR from the PRC will increase. EGF UK indicate that there is already a fierce competition with the PRC exporters.

18.3. Impact on the incentives to compete vigorously

328. We do not believe that varying the measure as proposed or revoking the measure would have any impact on the incentives of different suppliers to compete vigorously in the UK market.

18.4. Impact on the choices and information available to consumers

329. We do not have any evidence to suggest that there would be a detrimental impact on the information available to downstream industries if the measure was varied as proposed or revoked.
330. It is possible, however, that if the UK producer stopped supplying to the UK market in future, this could impact the choices available to downstream industries (i.e. no source of domestic supply but a greater range of source of foreign supply).

19. Other factors

331. As part of the EIT, we can consider any other factors additional to those set out in the legislation which have implications in concluding whether the proposed trade remedy measure is in the economic interest of the UK.
332. Based on evidence submitted by stakeholders, we considered the factors discussed below.

19.1. Scope of the existing measure

333. BMDS note that the multi-end rovings are not manufactured in the UK and should be excluded from the scope of the measure. Our assessment of the goods and a comparison between multi-end rovings and single-end rovings, is set out in [Section D: The Goods](#).

19.2. Vulnerability to supply chain disruptions

334. The COVID-19 pandemic highlighted industry vulnerability to global value chain disruptions. These disruptions can leave downstream industries exposed and vulnerable especially if there is no domestic source of supply.

335. EGF UK argued that revocation of the measure would force them to cease manufacture in the UK market, with downstream users unable to source GFR domestically.

I9.3. R&D and innovation

336. EGF UK also argued that revocation of the existing measure would lead to loss in R&D and innovation in the UK, and would have negative effects on development of new market applications. In particular, EGF UK argue that manufacturing of GFR is the main driver of innovation in the glass-based lightweight materials value chain. EGF UK also argue that Chinese foreign exporters are downstream-integrated and are unlikely to support the fostering of the UK value chain over that of their own.

I10. Forms of measure

337. In the EIT we also consider the most appropriate form of measure to recommend, in particular whether any changes to the length, scope or type of measure would minimise the negative impacts of the measure on some parties while retaining the overall benefits.
338. We have found no evidence suggesting that a form of measure, other than the variation we intend to propose, would be more appropriate.

I11. Conclusions

339. In accordance with paragraph 25 of Schedule 4 to the Act, the EIT is met in relation to the application of a countervailing remedy if the application of the remedy is in the economic interest of the UK. This 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.
340. Following the likelihood assessments, our intended recommendation is to vary the measure on imports of GFR from the PRC. However, since it has not been possible to recalculate the measure, the measure will be maintained at the same level for the reduced scope of goods and extending the duration for five years. In this section we have considered whether this would be in the economic interest of the UK.
341. In [the section setting out factors in relation to injury](#), we concluded that injury to UK industry would be likely to occur were the measure to no longer apply. The injury likelihood assessment established that UK industry was already in an economically vulnerable position. The measure will help to prevent further injury to domestic producer, who will be more likely to meet recurring investment requirements and stay operational.

342. In [the section regarding significance](#), we found that the GFR producer contributes around £10.7m in GVA to the UK economy. GFR also have numerous applications in various downstream industries, including automotive, building materials, composites, marine and wind energy industries. Downstream industries that use GFR also make a significant contribution to the UK economy (at least £224.0m in GVA), but it is not possible to quantify how much of this contribution is directly attributable to GFR.
343. In [the impacts on affected industries and consumers section](#), we concluded that there were not any impacts on prices and quantities of affected products expected if the measure was varied as proposed. Prices of affected products were expected to decrease, quantities of domestic supply to decrease and quantities of foreign supply to increase if the measure was revoked. The domestic producer, EGF UK, argued that it could cease manufacture in the UK market in the medium- to long-term if the measure was revoked and if the resulting price competition and price undercutting from PRC exporters meant it was more difficult to cover operating costs. Domestic importers and domestic users of GFR could benefit from the revocation of the measure because of a decrease in their costs. It is also possible that the measure could impose additional costs on final consumers in aggregate terms, although the impact would be very small at an individual level. There were no particular impacts expected for upstream industries from either varying or revoking the measure.
344. In [the section assessing the likely impacts on particular geographic areas and particular groups](#), we confirmed that there existed a cluster of economic activity linked to the manufacturing of GFR in the North West of England (Wigan and the surrounding areas). We concluded that the revocation of the measure – and the resulting potential job losses as well as GFR production plant closure – could have negative effects on Wigan and the surrounding areas. We found no evidence to indicate that particular groups, including those with protected characteristics as defined within the 2010 Equality Act, would be impacted.
345. In [the impacts on competitive environment section](#), we found that UK market was predominantly supplied by foreign exporters, and to a lesser degree by the sole UK producer, EGF UK. We concluded that the revocation of the measure could in the short-term open up the UK market to a greater number and a greater range of suppliers from the PRC. There could, however, also be a negative impact on competitive environment in the medium- to long-term if the revocation of the measure led to a loss of domestic supply.
346. We have identified the following key positive impacts of varying the measure, as compared to revoking it:
- The sole UK producer of GFR, EGF UK, is likely to continue its UK operations as the measure will help to prevent further injury to domestic producer.

- The continued operation of the UK production plant in Wigan would avoid any potential job losses in the North West.
- Both domestic and foreign sources of supply would remain available to downstream users of GFR, reducing vulnerability to global value chain disruptions.

347. The key negative impacts of varying the measure are:

- Importers and downstream users would not be able to benefit from cheaper GFR from the PRC.
- The measure could impose additional costs on final consumers in aggregate terms, even though the impact would be very small at an individual level.

348. In conclusion, varying the measure on GFR imported from the PRC as proposed will not have disproportionately negative economic impacts on the UK economy, including industries, consumers, particular groups and the wider geographic and competitive environment impacts.

349. Based on the evidence available and having considered all of the factors listed in the legislation, under the default presumption we conclude that the Economic Interest Test is met for the proposed variation of the countervailing duties.

SECTION J: Preliminary Findings and Intended Final Recommendation

J1. Preliminary findings

- It is likely, on the balance of probabilities, that importation of subsidised GFR from the PRC would occur if the countervailing duty were no longer applied.
- It is likely, on the balance of probabilities, that injury to the UK industry would occur from importation of GFR from the PRC if the countervailing duty were no longer applied.
- The application of the countervailing duty meets the EIT.

J2. Intended Final Recommendation

350. Our intended recommendation is to vary the application of the countervailing amount under regulation 100A of the Regulations. As it has not been possible to recalculate the countervailing amount, we recommend maintaining the measure under regulation 100A(4)(b) of the Regulations and varying the description of the goods to which the measure applies under regulation 99A(2)(a)(ii) of the Regulations for a period of five years from **30 January 2021**.

351. The description of the goods to which the measure applies will be varied to exclude the goods known as “mats made of glass fibre filaments” from the application of the measure, classified under the following commodity codes:

7019 31 00 00, now listed as 7019 14 00 00 and 7019 15 00 00.

352. These goods will be removed so that the measure will apply to certain continuous filament glass fibre products as follows:

“Chopped glass fibre strands, of a length of not more than 50 mm.

Glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887).”

353. Commodity codes to which the measures will be maintained and will continue to apply will be as follows:

7019 11 00 00
7019 12 00 22
7019 12 00 25
7019 12 00 26
7019 12 00 39

354. [Annex 1](#) specifies the duties to be maintained and applied to the goods described or imported under the above commodity codes. In the absence of any data, we have maintained the form and levels of the original EU measures that are the subject of this review.

Annex 1: Countervailing duties on goods subject to review

Country	Company	Countervailing duty rate (%)	Taric additional code
The People's Republic of China	Jushi Group Co. Ltd; Jushi Group Chengdu Co. Ltd; Jushi Group Jiujiang Co. Ltd	10.3	B990
The People's Republic of China	Changzhou New Changhai Fiberglass Co. Ltd; Jiangsu Changhai Composite Materials Holding Co. Ltd; Changzhou Tianma Group Co. Ltd	4.9	A983
The People's Republic of China	Chongqing Polycomp International Corporation	9.7	B991
The People's Republic of China	Other cooperating companies:	10.2	
The People's Republic of China	Taishan Fiberglass Inc.; PPG Sinoma Jinjing Fiber Glass Company Ltd		B992
The People's Republic of China	Xingtai Jinniu Fiberglass Co., Ltd		B993

The People's Republic of China	Weiyuan Huayuan Composite Material Co., Ltd		B994
The People's Republic of China	Changshu Dongyu Insulated Compound Materials Co., Ltd		B995
The People's Republic of China	Glasstex Fiberglass Materials Corp.		B996
The People's Republic of China	All other companies	10.3	A999

Annex 2: EU countervailing duties imposed by EU Regulation 1379/2014

Company	Countervailing duty rate (%)	TARIC additional code
Jushi Group Co. Ltd; Jushi Group Chengdu Co. Ltd; Jushi Group Jiujiang Co. Ltd	10.3	B990
Changzhou New Changhai Fiberglass Co. Ltd; Jiangsu Changhai Composite Materials Holding Co. Ltd; Changzhou Tianma Group Co. Ltd	4.9	A983
Chongqing Polycomp International Corporation	9.7	B991
Other cooperating companies:	10.2	
Taishan Fiberglass Inc.; PPG Sinoma Jinjing Fiber Glass Company Ltd		B992
Xingtai Jinniu Fiberglass Co., Ltd		B993
Weiyuan Huayuan Composite Material Co., Ltd		B994
Changshu Dongyu Insulated Compound Materials Co., Ltd		B995

Glasstex Fiberglass Materials Corp.		B996
All other companies	10.3	A999

Annex 3: EU countervailing duties imposed by EU Regulation 2021/328

Company	Countervailing duty rate (%)	TARIC additional code
Jushi Group Co. Ltd; Jushi Group Chengdu Co. Ltd; Jushi Group Jiujiang Co. Ltd	10.3	B990
Changzhou New Changhai Fiberglass Co. Ltd; Jiangsu Changhai Composite Materials Holding Co. Ltd; Changzhou Tianma Group Co. Ltd	4.9	A983
Chongqing Polycomp International Corporation	9.7	B991
Other cooperating companies:	10.2	
Taishan Fiberglass Inc.; PPG Sinoma Jinjing Fiber Glass Company Ltd		B992
Xingtai Jinniu Fiberglass Co., Ltd		B993
Weiyuan Huayuan Composite Material Co., Ltd		B994

Changshu Dongyu Insulated Compound Materials Co., Ltd		B995
Glasstex Fiberglass Materials Corp.		B996
All other companies	10.3	A999

Annex 3: Information from participants in the review – UK industry

Party	Submission(s)
Electric Glass Fiber UK Ltd	Pre-sampling Questionnaire Questionnaire Additional submissions: Response to Request for information on scope

Annex 4: Information from participants in the review – PRC exporters

Party	Submission(s)
Jiangsu Changhai Composite Materials Holding Ltd.	Pre-sampling Questionnaire Questionnaire Additional submissions: Response to Request for information on scope
Changzhou New Changhai Fiberglass Co. Ltd	Partial Questionnaire
Changzhou Tianma Group Co. Ltd	Questionnaire

Annex 5: Information from participants in the review – Importers

Party	Submission(s)
Brett Martin Daylight Systems Ltd	Pre-sampling Questionnaire Questionnaire Additional submissions: Response to Request for information on scope

Annex 6: Information from participants in the review – Foreign government

Party	Submission(s)
The Government of the People's Republic of China	Pre-sampling Questionnaire

Annex 7: Information from participants in the review – Trade Bodies

Party	Submission(s)
The British Glass Manufacturers Confederation	Pre-sampling Questionnaire Questionnaire Additional submissions: Response to Request for information on scope

Annex 8: Information from participants in the review – Contributors

Party	Submission(s)
Composites UK	Pre-sampling Questionnaire Questionnaire
Filon Products Limited	Pre-Sampling Questionnaire Questionnaire Additional submissions: Response to Request for information on scope
Hambleside Danelaw Limited	Pre-sampling Questionnaire