



2025/1508

25.7.2025

COMMISSION IMPLEMENTING REGULATION (EU) 2025/1508

of 24 July 2025

imposing a definitive anti-dumping duty on imports of certain organic coated steel products originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union ⁽¹⁾ ('the basic Regulation'), and in particular Article 9(4) thereof,

Whereas:

1. PROCEDURE

1.1. Previous investigations and measures in force

- (1) The Council, by Implementing Regulation (EU) No 214/2013 ⁽²⁾, imposed definitive anti-dumping duties on imports of certain organic coated steel products originating in the People's Republic of China ('China', 'the PRC' or 'the country concerned') ('the original measures'). The investigation that led to the imposition of the original measures will hereinafter be referred to as 'the original investigation'.
- (2) By Implementing Regulation (EU) No 215/2013 ⁽³⁾, the Council imposed, in parallel, countervailing duties on imports of certain organic coated steel products originating in China. The countervailing duties currently in force range from 13,7 % to 44,7 %.
- (3) Following an expiry review pursuant to Article 11(2) of the basic Regulation, on 2 May 2019, the Commission extended the definitive anti-dumping measures on imports of certain organic coated steel products originating in the PRC by Regulation (EU) No 2019/687 ⁽⁴⁾ (the 'previous expiry review'). The anti-dumping duties currently in force range from 0 % to 26,1 %.
- (4) The level of the combined anti-dumping and anti-subsidy duties ranges from 13,7 % to 58,3 %.

1.2. Request for an expiry review

- (5) Following the publication of a Notice of impending expiry of the definitive anti-dumping measures in force ⁽⁵⁾, the Commission received a request for the initiation of an expiry review of these measures pursuant to Article 11(2) of the basic Regulation ('the request').

⁽¹⁾ OJ L 176, 30.6.2016, p. 21, ELI: <http://data.europa.eu/eli/reg/2016/1036/2020-08-11>.

⁽²⁾ Council Implementing Regulation (EU) No 214/2013 of 11 March 2013 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain organic coated steel products originating in the People's Republic of China (OJ L 73, 15.3.2013, p. 1, ELI: http://data.europa.eu/eli/reg_impl/2013/214/oj).

⁽³⁾ Council Implementing Regulation (EU) No 215/2013 of 11 March 2013 imposing a countervailing duty on imports of certain organic coated steel products originating in the People's Republic of China (OJ L 73, 15.3.2013, p. 16, ELI: http://data.europa.eu/eli/reg_impl/2013/215/oj).

⁽⁴⁾ Commission Implementing Regulation (EU) 2019/687 of 2 May 2019 imposing a definitive anti-dumping duty on imports of certain organic coated steel products originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L 116, 3.5.2019, p. 5, ELI: http://data.europa.eu/eli/reg_impl/2019/687/oj).

⁽⁵⁾ Notice of impending expiry of certain anti-dumping measures (OJ C 273, 2.8.2023, p. 4).

- (6) The request was submitted on 2 February 2024 by the European Steel Association ('EUROFER' or 'the applicant') on behalf of the Union industry of organic coated steel products in the sense of Article 5(4) of the basic Regulation. The request was based on the grounds that the expiry of the anti-dumping measures would be likely to result in continuation of dumping and recurrence of injury to the Union industry.

1.3. Initiation of an expiry review

- (7) Having determined, after consulting the Committee established by Article 15(1) of the basic Regulation, that sufficient evidence existed for the initiation of an expiry review, on 30 April 2024 the Commission initiated an expiry review with regard to imports into the Union of certain organic coated steel products originating in the People's Republic of China on the basis of Article 11(2) of the basic Regulation. It published a Notice of Initiation in the *Official Journal of the European Union* ⁽⁶⁾ ('the Notice of Initiation').

1.4. Review investigation period and period considered

- (8) The investigation of a continuation or recurrence of dumping covered the period from 1 January 2023 to 31 December 2023 ('the review investigation period' or 'RIP'). The examination of the trends relevant for the assessment of the likelihood of continuation or recurrence of injury covered the period from 1 January 2020 to the end of the review investigation period ('the period considered').

1.5. Interested parties

- (9) In the Notice of Initiation, the Commission invited interested parties to contact the Commission in order to participate in the investigation. In addition, the Commission specifically informed the applicant, the known Union producers, the known unrelated importers in the Union, unrelated users in the Union known to be concerned, the known producers in the PRC and the authorities of the PRC, about the initiation of the expiry and invited them to participate.
- (10) Interested parties had an opportunity to comment on the initiation of the expiry review and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings.

1.6. Sampling

- (11) In the Notice of Initiation, the Commission stated that it might sample the interested parties in accordance with Article 17 of the basic Regulation.

1.6.1. Sampling of Union producers

- (12) In the Notice of Initiation, the Commission stated that it had provisionally selected a sample of Union producers, in accordance with Article 17(1) of the basic Regulation.
- (13) Prior to the initiation, 14 Union producers had provided the information requested for the selection of the sample and expressed their willingness to cooperate with the Commission. On that basis, the Commission had provisionally selected a sample of three producers, which were found to be representative of the Union industry in terms of volume of production and sales of the like product in the Union. The sampled Union producers accounted for 28 % of the estimated total production of the Union industry and for 26 % of the total sales volume of the Union industry to unrelated customers in the Union during the review investigation period.
- (14) The Commission invited interested parties to comment on the provisional sample. No comments were received, and the provisional sample was confirmed. The sample was considered representative for the Union industry.

⁽⁶⁾ Notice of initiation of an expiry review of the anti-dumping measures applicable to imports of certain organic coated steel products originating in the People's Republic of China (OJ C, C/2024/2970, 30.4.2024, ELI: <http://data.europa.eu/eli/C/2024/2970/oj>).

1.6.2. *Sampling of importers*

- (15) The request to initiate the expiry review identified ten unrelated importers which were invited to provide sampling information. None of them came forward.

1.6.3. *Sampling of exporting producers in the PRC*

- (16) To decide whether sampling was necessary and, if so, to select a sample, the Commission asked all known exporting producers in the PRC to provide the information specified in the Notice of Initiation. In addition, the Commission asked the Mission of the People's Republic of China to the European Union to identify and/or contact other exporting producers, if any, that could be interested in participating in the investigation.
- (17) No exporting producers returned the sampling form. Subsequently, on 2 August 2024, the Commission informed the Government of China ('GOC') that there was no cooperation by exporting producers in the PRC and thus it would apply the provisions of Article 18 of the basic Regulation with regard to the findings of continuation or recurrence of dumping.

1.7. **Questionnaires and verification visits**

- (18) The Commission sent a questionnaire concerning the existence of significant distortions in the PRC within the meaning of Article 2(6a)(b) of the basic Regulation to the GOC. The Commission, however, did not receive a questionnaire reply from the GOC on this matter. Therefore, on 2 August 2024 the Commission informed the GOC of its intention to apply the provisions of Article 18 of the basic Regulation with regard to existence of significant distortions in the PRC within the meaning of Article 2(6a)(b) of the basic Regulation.
- (19) The Commission sent questionnaires to the three sampled Union producers and Eurofer. Questionnaires for the Union producers, unrelated importers, users, and the exporting producers in the PRC were also made available online ⁽⁷⁾ on the day of initiation of the investigation.
- (20) Replies to the questionnaires were received from the three sampled Union producers and Eurofer.
- (21) The Commission sought and verified all the information it deemed necessary for a determination of likelihood of continuation or recurrence of dumping and injury and of the Union interest. Verification visits were carried out at the premises of the following interested parties:
- (a) Union producers:
 - ArcelorMittal Belgium, Belgium
 - ThyssenKrupp, Germany
 - Tata Steel Maubeuge SA, France
 - (b) Association of Union producers:
 - EUROFER, Belgium

1.8. **Subsequent procedure**

- (22) On 6 June 2025, the Commission disclosed the essential facts and considerations on the basis of which it intended to maintain the anti-dumping duties in force. All parties were granted a period within which they could make comments on the disclosure.
- (23) No parties made any comments on the final disclosure. No parties requested a hearing.

⁽⁷⁾ <https://tron.trade.ec.europa.eu/investigations/case-view?caseId=2720>.

2. PRODUCT CONCERNED AND LIKE PRODUCT

2.1. Product under review

- (24) The product under review is the same as in the original investigation and previous expiry review namely certain organic coated steel products ('OCS') i.e. flat-rolled products of non-alloy and alloy steel (not including stainless steel) which are painted, varnished or coated with plastics on at least one side, excluding so-called 'sandwich panels' of a kind used for building applications and consisting of two outer metal sheets with a stabilizing core of insulation material sandwiched between them, excluding those products with a final coating of zinc-dust (a zinc-rich paint, containing by weight 70 % or more of zinc), and excluding those products with a substrate with a metallic coating of chromium or tin, currently falling under CN codes ex 7210 70 80, ex 7212 40 80, ex 7225 99 00, and ex 7226 99 70 (TARIC codes 7210 70 80 11, 7210 70 80 91, 7212 40 80 01, 7212 40 80 21, 7212 40 80 82, 7225 99 00 11, 7225 99 00 91, 7226 99 70 11 and 7226 99 70 91; 'the product under review' or 'OCS').
- (25) The product under review is obtained by applying an organic coating to flat-rolled steel products. The organic coating provides protection, and aesthetic and functional properties to steel products.
- (26) OCS is mainly used in the construction sector and for further processing in products used in construction. Other applications include home appliances.

2.2. Product concerned

- (27) The product concerned by this investigation is the product under review originating in the People's Republic of China ('the product concerned').

2.3. Like product

- (28) As established in the original investigation and confirmed in the previous expiry review, this expiry review investigation re-confirmed that the following products have the same basic physical, chemical and technical characteristics as well as the same basic uses:

- the product concerned when exported to the Union;
- the product under review produced and sold on the domestic market of the PRC;
- the product under review produced and sold by the exporting producers to the rest of the world; and
- the product under review produced and sold in the Union by the Union industry.

These products are therefore considered to be like products within the meaning of Article 1(4) of the basic Regulation.

3. LIKELIHOOD OF RECURRENCE OF DUMPING

3.1. Preliminary remarks

- (29) During the review investigation period, imports of OCS from the PRC virtually disappeared. According to Eurostat, imports of OCS from the PRC accounted for about 0,06 % of the Union market in the review investigation period compared to 13,6 % market share during the original investigation and 0,1 % during the previous expiry review. In absolute terms the imports dropped from 702 452 tonnes in the original investigation to 6 338 tonnes in the previous expiry review and further to 2 554 tonnes in the review investigation period of this expiry review. Consequently, the Commission concluded that the imports in the review investigation period were not sufficiently representative to make valid conclusions concerning the continuation of dumping.

- (30) Thus, the Commission investigated, in accordance with Article 11(2) of the basic Regulation, the likelihood of recurrence of dumping, should the measures be repealed. The following elements were analysed: the production capacity and spare capacity in the PRC, relationship between prices in the Union and the PRC; relationship between export prices to third countries and normal value in the PRC; relation between export prices to third countries and the price level in the Union; and the attractiveness of the Union market.
- (31) As mentioned in recital (17), none of the exporters/producers from the PRC cooperated in the investigation. Therefore, the Commission informed the authorities of the PRC that due to the absence of cooperation, the Commission might apply Article 18 of the basic Regulation concerning the findings with regard to the PRC. The Commission did not receive any comments or requests for an intervention of the Hearing Officer in this regard.
- (32) Consequently, in accordance with Article 18 of the basic Regulation, the findings in relation to the continuation of or the likelihood of recurrence of dumping were based on facts available, in particular trade statistics collected by the Eurostat⁽⁸⁾ and the Global Trade Atlas⁽⁹⁾, information on freight cost from the International Transport and Insurance Costs of Merchandise Trade⁽¹⁰⁾ data by OECD and the Doing Business⁽¹¹⁾ report by the World Bank, information on the factors of production and their consumption from a representative Union producer, information on the development of the Chinese market for OCS from the MySteel Annual Report⁽¹²⁾.
- (33) To analyse the likelihood of recurrence of dumping, in particular for the purpose of price comparisons, the Commission first determined the normal value as detailed in section 3.2 below.

3.2. Procedure for the determination of the normal value under Article 2(6a) of the basic Regulation for the imports of OCS originating in the PRC

- (34) Given the sufficient evidence available at the initiation of the investigation tending to show, with regard to the PRC, the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation, the Commission initiated the investigation on the basis of Article 2(6a) of the basic Regulation.
- (35) In order to obtain information, it deemed necessary for its investigation with regard to the alleged significant distortions, the Commission sent a questionnaire to the GOC. In addition, in point 5.3.2. of the Notice of Initiation, the Commission invited all interested parties to make their views known, submit information and provide supporting evidence regarding the application of Article 2(6a) of the basic Regulation within 37 days of the date of publication of the Notice of Initiation in the *Official Journal of the European Union*. No questionnaire reply was received from the GOC and no submission on the application of Article 2(6a) of the basic Regulation was received within the deadline. Subsequently, on 2 August 2024, the Commission informed the GOC that it would use facts available within the meaning of Article 18 of the basic Regulation for the determination of the existence of the significant distortions in the PRC.

⁽⁸⁾ Eurostat, Comext database. Available at <https://ec.europa.eu/eurostat/comext/newxtweb/> (last viewed 23 April 2025).

⁽⁹⁾ Global Trade Atlas by S&P Global. Available at <https://connect.ihsmarkit.com/gta/home/> (last viewed 23 April 2025).

⁽¹⁰⁾ OECD Data Explorer. International Transport and Insurance Costs of Merchandise Trade. Available at [https://data-explorer.oecd.org/vis?tm=ITIC&pg=0&snb=1&df\[ds\]=dsDisseminateFinalDMZ&df\[id\]=DSD_ITIC%40DF_ITIC&df\[ag\]=OECD.SDD.TPS&dq=.....A.&pd=%2C&to\[TIME_PERIOD\]=false](https://data-explorer.oecd.org/vis?tm=ITIC&pg=0&snb=1&df[ds]=dsDisseminateFinalDMZ&df[id]=DSD_ITIC%40DF_ITIC&df[ag]=OECD.SDD.TPS&dq=.....A.&pd=%2C&to[TIME_PERIOD]=false) (last viewed 19 March 2025).

⁽¹¹⁾ Doing Business 2020. Economy profile – China, p. 84. Available at <https://archive.doingbusiness.org/content/dam/doingBusiness/country/c/china/CHN.pdf> (last viewed 26 February 2025).

⁽¹²⁾ MySteel Annual Report: Market review of colour-coated coils in 2022 and outlook for 2023. Available at https://m.mysteel.com/23/0110/11/2D53D06744974F96_abc.html (last viewed 24 April 2025). MySteel Annual Report: Market review of colour-coated coils in 2023 and outlook for 2024. Available at https://m.mysteel.com/a/24010418/66232834598618F7_abc.html (last viewed 24 April 2025).

- (36) In point 5.3.2. of the Notice of Initiation, the Commission also specified that, in view of the evidence available, Mexico was an appropriate representative country pursuant to Article 2(6a)(a) of the basic Regulation for the purpose of determining the normal value based on undistorted prices or benchmarks. The Commission further stated that it would examine other possibly appropriate countries in accordance with the criteria set out in first indent of Article 2(6a) of the basic Regulation.
- (37) On 19 March 2025, the Commission informed the interested parties by a note on the relevant sources it intended to use for the determination of the normal value ('the Note'). In that Note, the Commission provided a list of all factors of production such as raw materials, labour and energy used in the production of OCS. In addition, based on the criteria guiding the choice of undistorted prices or benchmarks, the Commission identified Mexico as an appropriate representative country. The Commission received comments on the Note from the applicant. The applicant expressed its support to the Commission's choice of a representative country.

3.2.1. Normal value

- (38) According to Article 2(1) of the basic Regulation, *'the normal value shall normally be based on the prices paid or payable, in the ordinary course of trade, by independent customers in the exporting country'*.
- (39) However, according to Article 2(6a)(a) of the basic Regulation, *'in case it is determined [...] that it is not appropriate to use domestic prices and costs in the exporting country due to the existence in that country of significant distortions within the meaning of point (b), the normal value shall be constructed exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks'*, and *'shall include an undistorted and reasonable amount of administrative, selling and general costs and for profits'* (hereinafter *'administrative, selling and general costs'* is referred to as *'SG&A'*).
- (40) As further explained below, the Commission concluded in the present investigation that, based on the evidence available, and in view of the lack of cooperation of the GOC and the exporting producers, the application of Article 2(6a) of the basic Regulation was appropriate.

3.2.2. Existence of significant distortions

- (41) The Commission examined the evidence on the file to decide whether significant distortions within the meaning of Article 2(6a)(b) of the basic Regulation exist in the PRC, rendering the use of domestic prices and costs in that country inappropriate. That analysis covered the following evidentiary elements on the various criteria relevant to establish the existence of significant distortions.
- (42) First, the evidence contained in the request included the following elements pointing to the existence of significant distortions.
- (43) The applicant argued that the Chinese market of the product under review is served by enterprises which operate under the ownership, control, or policy supervision or guidance of the Chinese authorities. In this regard, the applicant highlighted the existence of significant state ownership within the Chinese steel sector, particularly among large OCS producers such as the Baowu Group, the Ansteel Group and the Shandong Steel Group, all of which are State Owned Enterprises ('SOEs').
- (44) The applicant also argued that the Chinese State presence in OCS producers allows the State to interfere with prices and costs. The applicant submitted that this is the case for both SOEs and private companies. In fact, the applicant noted the constitutional obligation, according to Article 33 of the PRC Constitution, that *'[p]rimary-level Party organisations in non-public sector entities shall implement the Party's principles and policies, guide and oversee their enterprises' observance of state laws and regulations'*. Moreover, Article 19 of the PRC Company law highlights the duty for companies *'to provide the necessary conditions for the activities of the Party'* and the requirement to designate within the company, *'an organisation of the Communist Party of China [...] to carry out the activities of the Party'*.

- (45) Regarding OCS producers specifically, the request noted the encouragement of President Xi Jinping addressed to the Baowu Steel Group, to continue collaborating with the state-owned economy⁽¹³⁾. Additionally, it remarked the statement of the chairman of the China Society for Metals, who *'reviewed the relevant important instructions of the 20th National Congress of the Communist Party of China'* in particular with regard to the need *'to implement comprehensive policies in terms of optimizing industrial structure, controlling capacity expansion, promoting industrial concentration, improving quality and efficiency'*⁽¹⁴⁾. Finally, considering that OCS is mainly used in construction, the applicant pointed out the importance given to construction in rural and urban places within the China's 14th Five-Year Plan for National Economic and Social Development.
- (46) Furthermore, the applicant indicated that the Chinese authorities maintain public policies or measures discriminating in favour of domestic suppliers or otherwise influencing free market forces. In this regard, the applicant noted that the steel sector in China is subject to numerous national and municipal plans, in particular regarding the optimization and restructuring of the steel industry and the modernization on the level of the supply chain. Besides, the China Iron and Steel Association, pursuant to Article 3 of its Articles of Association, *'adheres to the overall leadership of the Communist Party of China'* and *'accepts the business guidance, supervision and management by the entities in charge of registration and management, by entities in charge of party building, as well as by the relevant administrative departments in charge of industry management'*.
- (47) The applicant also underlined the lack, discriminatory application or inadequate enforcement of bankruptcy, corporate or property laws. This is, according to the applicant, apparent from the influence of the GOC in insolvency proceedings. Given the subordination of the courts to the GOC, many insolvent firms benefit from restructuring plans stemming from *de facto* governmental guarantees to SOEs. In addition, the applicant referred to lack of transparency of rules on land provision and acquisition.
- (48) Moreover, the request underlined the wage costs being distorted in China and specifically in the OCS sector. Such distortions were already recalled in the first expiry review and the applicant found no evidence that the OCS sector is shielded from the wage costs' distortions.
- (49) Second, in recent investigations concerning the steel sector in the PRC⁽¹⁵⁾, the Commission found that significant distortions in the sense of Article 2(6a)(b) of the basic Regulation were present. In those investigations, the Commission found that there is substantial government intervention in the PRC resulting in a distortion of the effective allocation of resources in line with market principles⁽¹⁶⁾. In particular, the Commission concluded that in the steel sector, not only does a substantial degree of ownership by the GOC persists in the sense of Article 2(6a)(b), first indent of the basic Regulation⁽¹⁷⁾ but the GOC is also in a position to interfere with prices and costs through

⁽¹³⁾ State Council Information Office of the PRC, Xi encourages steel company to grow in integrated development of Yangtze River Delta, 20 August 2020.

⁽¹⁴⁾ CISDI Group, 13th Iron and Steel Annual Conference Summary, 30 November 2022.

⁽¹⁵⁾ Commission Implementing Regulation (EU) 2024/1666 of 6 June 2024 imposing a definitive anti-dumping duty on imports of steel ropes and cables originating in the People's Republic of China as extended to imports of steel ropes and cables consigned from Morocco and the Republic of Korea, whether declared as originating in these countries or not, following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council, (OJ L, 2024/1666, 7.6.2024, ELI: http://data.europa.eu/eli/reg_impl/2024/1666/oj); Commission Implementing Regulation (EU) 2023/1444 of 11 July 2023 imposing a provisional anti-dumping duty on imports of steel bulb flats originating in the People's Republic of China and Türkiye (OJ L 177, 12.7.2023, p. 63, ELI: http://data.europa.eu/eli/reg_impl/2023/1444/oj); Commission Implementing Regulation (EU) 2023/100 of 11 January 2023 imposing a provisional anti-dumping duty on imports of stainless steel refillable kegs originating in the People's Republic of China (OJ L 10, 12.1.2023, p. 36, ELI: http://data.europa.eu/eli/reg_impl/2023/100/oj); Commission Implementing Regulation (EU) 2022/2068 of 26 October 2022 imposing a definitive anti-dumping duty on imports of certain cold-rolled flat steel products originating in the People's Republic of China and the Russian Federation following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L 277, 27.10.2022, p. 149, ELI: http://data.europa.eu/eli/reg_impl/2022/2068/oj).

⁽¹⁶⁾ Implementing Regulation (EU) 2024/1666, recital 76; Implementing Regulation (EU) 2023/1444, recital 66; Implementing Regulation (EU) 2023/100, recital 58; Implementing Regulation (EU) 2022/2068, recital 80.

⁽¹⁷⁾ Implementing Regulation (EU) 2024/1666, recital 60; Implementing Regulation (EU) 2023/1444, recital 45; Implementing Regulation (EU) 2023/100, recital 38; Implementing Regulation (EU) 2022/2068, recital 64.

State presence in firms in the sense of Article 2(6a)(b), second indent of the basic Regulation ⁽¹⁸⁾. The Commission found further that the State's presence and intervention in the financial markets, as well as in the provision of raw materials and inputs further have an additional distorting effect on the market. Indeed, overall, the system of planning in the PRC results in resources being driven to sectors designated as strategic or otherwise politically important by the GOC, rather than being allocated in line with market forces ⁽¹⁹⁾. Moreover, the Commission concluded that the Chinese bankruptcy and property laws do not work properly in the sense of Article 2(6a)(b), fourth indent of the basic Regulation, thus generating distortions in particular when maintaining insolvent firms afloat and when allocating land use rights in the PRC ⁽²⁰⁾. In the same vein, the Commission found distortions of wage costs in the steel sector in the sense of Article 2(6a)(b), fifth indent of the basic Regulation ⁽²¹⁾, as well as distortions in the financial markets in the sense of Article 2(6a)(b), sixth indent of the basic Regulation, in particular concerning access to capital for corporate actors in the PRC ⁽²²⁾.

- (50) Third, in the most recent expiry review concerning the product under review ⁽²³⁾ the Commission concluded that significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation were present. No major structural changes in the PRC, capable of affecting that conclusion, are known to the Commission.
- (51) Fourth, additional evidence available in the Commission Staff Working Document on Significant Distortions in the Economy of China ⁽²⁴⁾, prepared by the Commission pursuant to Article 2(6a)(c) of the basic Regulation, pointed to the existence of significant distortions also during the review investigation period.
- (52) Fifth, no evidence or arguments to the contrary have been adduced by the GOC or the exporting producers in the present investigation.
- (53) In view of the above, the evidence available showed that prices or costs of the product under review, including the costs of raw materials, energy and labour, are not the result of free market forces because they are affected by substantial government intervention within the meaning of Article 2(6a)(b) of the basic Regulation as shown by the actual or potential impact of one or more of the relevant elements listed therein. On that basis, the Commission concluded that it is not appropriate to use domestic prices and costs to establish normal value in this case. Consequently, the Commission proceeded to construct the normal value exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks, that is, in this case, on the basis of corresponding costs of production and sale in an appropriate representative country, in accordance with Article 2(6a)(a) of the basic Regulation.

⁽¹⁸⁾ Implementing Regulation (EU) 2024/1666, recital 66-68; Implementing Regulation (EU) 2023/1444, recital 58; Implementing Regulation (EU) 2023/100, recital 40; Implementing Regulation (EU) 2022/2068, recital 66. While the right to appoint and to remove key management personnel in SOEs by the relevant State authorities, as provided for in the Chinese legislation, can be considered to reflect the corresponding ownership rights, CCP cells in enterprises, state owned and private alike, represent another important channel through which the State can interfere with business decisions. According to the PRC's company law, a CCP organisation is to be established in every company (with at least three CCP members as specified in the CCP Constitution) and the company shall provide the necessary conditions for the activities of the party organisation. In the past, this requirement appears not to have always been followed or strictly enforced. However, since at least 2016 the CCP has reinforced its claims to control business decisions in SOEs as a matter of political principle. The CCP is also reported to exercise pressure on private companies to put 'patriotism' first and to follow party discipline. In 2017, it was reported that party cells existed in 70 % of some 1,86 million privately owned companies, with growing pressure for the CCP organisations to have a final say over the business decisions within their respective companies. These rules are of general application throughout the Chinese economy, across all sectors, including to the producers of the product under review and the suppliers of their inputs.

⁽¹⁹⁾ Implementing Regulation (EU) 2024/1666, recital 61-65; Implementing Regulation 2023/1444, recital 59; Implementing Regulation (EU) 2023/100, recital 43; Implementing Regulation (EU) 2022/2068, recital 68.

⁽²⁰⁾ Implementing Regulation (EU) 2024/1666, recital 54; Implementing Regulation (EU) 2023/1444, recital 62; Implementing Regulation (EU) 2023/100, recital 52; Implementing Regulation (EU) 2022/2068, recital 74.

⁽²¹⁾ Implementing Regulation (EU) 2024/1666, recital 72; Implementing Regulation (EU) 2023/1444, recital 45; Implementing Regulation (EU) 2023/100, recital 33; Implementing Regulation (EU) 2022/2068, recital 75.

⁽²²⁾ Implementing Regulation (EU) 2024/1666, recital 73; Implementing Regulation (EU) 2023/1444, recital 64; Implementing Regulation (EU) 2023/100, recital 54; Implementing Regulation (EU) 2022/2068, recital 76.

⁽²³⁾ Implementing Regulation (EU) 2019/687, recitals 61-88.

⁽²⁴⁾ Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the purposes of Trade Defence Investigations, 10 April 2024, SWD(2024) 91 final.

3.2.3. *Representative country*

3.2.3.1. General remarks

- (54) The choice of the representative country was based on the following criteria pursuant to Article 2(6a) of the basic Regulation:
- A level of economic development similar to the PRC. For this purpose, the Commission uses countries with a gross national income per capita similar to the PRC on the basis of the database of the World Bank ⁽²⁵⁾;
 - Production of the product under review in that country ⁽²⁶⁾;
 - Availability of relevant public data in the representative country.
 - Where there is more than one possible representative country, preference should be given, where appropriate, to the country with an adequate level of social and environmental protection.
- (55) As explained in recital (37), the Commission issued a Note for the file on the sources for the determination of the normal value. This Note described the facts and evidence underlying the relevant criteria. In the Note, the Commission informed interested parties of its intention to consider Mexico as an appropriate representative country in the present case if the existence of significant distortions pursuant to Article 2(6a) of the basic Regulation would be confirmed.

3.2.3.2. A level of economic development similar to the PRC

- (56) Given the lack of cooperation, the Commission confirmed that Mexico, which was known to the Commission as a possible representative country at initiation, was indeed a country with a similar level of economic development as the PRC according to the World Bank, i.e. it was classified by the World Bank as an ‘upper-middle income’ country on a gross national income basis where production of the product under review was known to take place.
- (57) In its comments on the Note, the applicant expressed its support to the Commission’s intention to consider Mexico as an appropriate representative country.

3.2.3.3. Production of the product under review in that country

- (58) In the Note, the Commission explained that the product under review was produced in Mexico in significant quantities and through a similar production process.
- (59) The Commission did not receive any comments concerning the production of OCS in Mexico.

3.2.3.4. Availability of relevant public data in the representative country

- (60) In the Note, the Commission indicated that it found readily available financial information for an OCS producer in Mexico, covering the financial year ending in December 2023. Undistorted cost of the main factors of production, electricity, gas, and labour could also be established.
- (61) The Commission found that all inputs were imported into Mexico in representative quantities.

⁽²⁵⁾ World Bank Open Data – Upper Middle Income, <https://data.worldbank.org/income-level/upper-middle-income>.

⁽²⁶⁾ If there is no production of the product under review in any country with a similar level of development, production of a product in the same general category and/or sector of the product under review may be considered.

- (62) Insignificant import volumes originated in the PRC for a majority of the inputs. With regard to polyurethane paint, approximately 20 % was imported from the PRC. However, the unit price of imports from countries other than the PRC was significantly higher than the Chinese import price. Therefore, the Commission considered that those prices were not affected by the imports originating in the PRC.
- (63) None of the inputs used in the manufacturing of OCS was imported into Mexico from Russia. Therefore, the Commission did not analyse whether the potential existence of sanctions against imports from Russia could have distorted the import prices in Mexico.
- (64) To ascertain that the exports of the inputs used in the production of OCS were not subject to any export restrictions, the Commission consulted the Global Trade Alert ⁽²⁷⁾ database and the Market Access Map ⁽²⁸⁾. It found that Mexico did not impose any restrictions on exports of inputs used in the production of OCS. It was thus concluded that the domestic as well as import prices of those inputs were not distorted by an artificially increased supply of the inputs on the Mexican market.
- (65) The Commission further examined whether any third countries applied trade defence measures against imports of OCS originating in Mexico. The existence of such measures could indicate that the financial results of the Mexican producers of OCS were distorted by dumping practices or subsidisation. It was found that there was no trade defence measure in place against imports of OCS from Mexico during the review investigation period.
- (66) The Commission did not receive any comments concerning the availability of relevant public data in Mexico.

3.2.3.5. Level of social and environmental protection

- (67) Having established that Mexico was the only available appropriate representative country, based on all of the above elements, there was no need to carry out an assessment of the level of social and environmental protection in accordance with the last sentence of Article 2(6a)(a) first indent of the basic Regulation.

3.2.3.6. Conclusion

- (68) In view of the above analysis, Mexico met the criteria laid down in Article 2(6a)(a), first indent of the basic Regulation in order to be considered as an appropriate representative country.

3.2.4. Sources used to establish undistorted costs

- (69) In the Note, the Commission listed the factors of production such as materials, energy and labour used in the production of the product under review and invited the interested parties to comment and propose publicly available information on undistorted values for each of the factors of production mentioned in that note. Considering the lack of cooperation by the exporting producers, the list was based on the factors of production used by a representative Union producer.
- (70) Furthermore, the Commission stated in the Note that, in order to construct the normal value in accordance with Article 2(6a)(a) of the basic Regulation, it would use GTA to establish the undistorted cost of most of the factors of production, notably the raw materials. In addition, the Commission stated that it would use the information published by Mexico's regulatory and statistical authorities, as well as major utility companies for establishing undistorted costs of labour ⁽²⁹⁾ and energy ⁽³⁰⁾.

⁽²⁷⁾ Global Trade Alert – GTA Data Centre. Available at <https://globaltradealert.org/data-center> (last viewed 28 February 2025).

⁽²⁸⁾ Market Access Map – Regulatory Requirements. Available at <https://www.macmap.org/en/query/regulatory-requirement> (last viewed 28 February 2025).

⁽²⁹⁾ National Institute of Statistics and Geography. Available at <https://en.www.inegi.org.mx/> (last viewed 24 April 2025).

⁽³⁰⁾ For natural gas: Comisión Reguladora de Energía. Available at <https://www.gob.mx/cre> (last viewed 24 April 2025). For electricity: Comisión Federal de Electricidad. Available at <https://www.cfe.mx/Pages/default.aspx> (last viewed 24 April 2025).

3.2.5. Undistorted costs and benchmarks

3.2.5.1. Factors of production

- (71) Considering all the information based on the request and information provided by a representative Union producer, the following factors of production and their sources have been identified in order to determine the normal value in accordance with Article 2(6a)(a) of the basic Regulation:

Table 1

Factors of production of organic coated steel

Factor of production	Commodity code in Mexico	Undistorted value (CNY)	Unit of measurement	Source of information
Raw materials				
Hot dip galvanized steel coil	7210 49 99	11,55	kg	GTA
Polyester paint	3208 10 02	50,98	kg	GTA
Polyurethane paint	3208 90 99	70,03	kg	GTA
Polyvinylidene fluoride paint	3209 90 99	28,52	kg	GTA
By-product				
Scrap galvanized steel	7204 29 99	2,58	kg	GTA
Energy				
Natural gas	n/a	0,02	MJ	Comisión Reguladora de Energía
Electricity	n/a	0,64	kWh	Comisión Federal de Electricidad
Labour				
Labour	n/a	97,02	hour	National Institute of Statistics and Geography

3.2.5.2. Raw materials

- (72) In order to establish the undistorted price of raw materials as delivered at the gate of a producer in the representative country, the Commission used as a basis the import price to the representative country as reported in the GTA to which import duties and transport cost were added. An import price in the representative country was determined as a weighted average of unit prices of imports from all third countries excluding the PRC and the countries listed in Annex 1 of Regulation (EU) 2015/755 of the European Parliament and the Council⁽³¹⁾. The Commission decided to exclude imports from the PRC into the representative country as it concluded in section 3.2.2 that it was not

⁽³¹⁾ Regulation (EU) 2015/755 of the European Parliament and of the Council of 29 April 2015 on common rules for imports from certain third countries (OJ L 123, 19.5.2015, p. 33, ELI: <http://data.europa.eu/eli/reg/2015/755/oj>).

appropriate to use domestic prices and costs in the PRC due to the existence of significant distortions in accordance with Article 2(6a)(b) of the basic Regulation. Given that there is no evidence showing that the same distortions did not equally affect raw materials used to manufacture products intended for export, the Commission considered that the same distortions affected export prices. After excluding imports from the PRC into the representative country, the volume of imports from other third countries remained representative.

- (73) With regard to import duties, the Commission added import duties to the weighted average import price of each raw material based on its commodity code and the respective country of origin. To determine the applicable import duty rate, the Commission relied on the information collected by Market Access Map ⁽³²⁾.
- (74) Considering the lack of cooperation by the Chinese exporting producers, the Commission used publicly available information to estimate the cost normally incurred by a company in Mexico for transport of inputs between a supplier and its premises. The Commission based this estimation on the domestic transport cost relating to imports in Mexico as published in the most recent Doing Business report ⁽³³⁾. This domestic transport cost is included in the undistorted cost presented in table 1 above.

3.2.5.3. Labour

- (75) The National Institute of Statistics and Geography ('INEGI') publishes detailed information on wages and worked hours in different economic sectors in Mexico. The Commission used the data for sector 331 – Basic metals industry corresponding to the review investigation period ⁽³⁴⁾.
- (76) To determine an average hourly labour cost, the Commission relied on the information on total wages paid in sector 331 and total hours worked in that sector. Considering that the purpose of an expiry review is not to establish a precise level of dumping, the Commission did not add additional labour-related cost, e.g. social contributions, to the benchmark used for undistorted cost of labour. Any additional labour-related cost would only increase the normal value and thus the resulting dumping margin.

3.2.5.4. Electricity

- (77) The price of electricity for companies (industrial users) in Mexico was available on the website of a major electric utility company Comisión Federal de Electricidad ('CFE'). The Commission used the data on the industrial electricity prices in two tariff categories applicable to industrial users in various regions of Mexico during the review investigation period ⁽³⁵⁾.

3.2.5.5. Natural gas

- (78) The price of natural gas in Mexico is published by Comisión Reguladora de Energía ('CRE'). The Commission used the information on prices of natural gas per GJ in each month of the review investigation period to establish an average undistorted price of natural gas ⁽³⁶⁾.

3.2.5.6. Manufacturing overhead costs, SG&A, and profit

- (79) According to Article 2(6a)(a) of the basic Regulation, *'the constructed normal value shall include an undistorted and reasonable amount for administrative, selling and general costs and for profits'*. In addition, a value for manufacturing overhead costs needs to be established to cover costs not included in the factors of production referred to above.

⁽³²⁾ Market Access Map. Available at <https://www.macmap.org/> (last viewed 24 April 2025).

⁽³³⁾ Doing Business 2020. Economy profile – Mexico, p. 88 and 92. Available at <https://archive.doingbusiness.org/content/dam/doingBusiness/country/m/mexico/MEX.pdf> (last viewed 24 April 2025).

⁽³⁴⁾ INEGI – Banco de Informacion Economica. Available at <https://www.inegi.org.mx/app/indicadores/?tm=0&t=1010#D1010> (last viewed 28 February 2025).

⁽³⁵⁾ CFE – Industry, tariffs. Available at <https://app.cfe.mx/Aplicaciones/CCFE/Tarifas/TarifasCREIndustria/Acuerdos/AcuerdosIndustria.aspx> (last viewed 28 February 2025).

⁽³⁶⁾ CRE – Índices de Referencia de Precios de Gas Natural. Available at <https://www.cre.gob.mx/IPGN/> (last viewed 28 February 2025).

- (80) To establish an undistorted value of the manufacturing overheads and given the absence of cooperation from the exporting producers, the Commission used facts available in accordance with Article 18 of the basic Regulation. The Commission relied on information on manufacturing overheads provided by a representative Union producer of OCS.
- (81) To establish an undistorted value of SG&A cost and profit, the Commission used the financial information of Ternium S.A., an OCS producer in Mexico ⁽³⁷⁾. The financial information was readily available, audited, consolidated and covered year 2023.
- (82) Although the financial information was consolidated, the Commission found that more than half of total turnover stemmed from sales in Mexico. Almost all turnover was achieved from sales of steel products and approximately 1/3 of the turnover specifically from sales of coated products ⁽³⁸⁾. Consequently, the Commission considered that for the purpose of this expiry review, the financial information was sufficiently relevant as a source of undistorted SG&A cost and profit.
- (83) The selected reference year 2023 fully corresponded to the review investigation period. In the selected year, the company was profitable and showed a reasonable level of SG&A cost.

3.2.6. Calculation of the normal value

- (84) On the basis of the above, the Commission constructed the normal value on an ex-works basis in accordance with Article 2(6a)(a) of the basic Regulation.
- (85) First, the Commission established the undistorted cost of manufacturing. In the absence of cooperation by the exporting producers, the Commission relied on the information provided by a representative Union producer of OCS on the usage of each factor of production (materials, energy and labour) for the manufacturing of OCS. The unit consumption of each factor of production was multiplied by the undistorted cost based on data from the representative country. The sum of undistorted cost of raw materials, energy and labour represents the undistorted cost of manufacturing.
- (86) Once the undistorted cost of manufacturing established, the Commission added the manufacturing overheads, SG&A cost and profit.
- (87) Manufacturing overheads of a representative Union producer of OCS were expressed as a ratio of its cost of manufacturing. This percentage was then applied to the undistorted value of the cost of manufacturing to obtain the undistorted value of manufacturing overheads. Manufacturing overheads accounted for 1,5-2 % of the cost of manufacturing. By adding the undistorted manufacturing overheads to the undistorted cost of manufacturing, the Commission established the undistorted cost of production.
- (88) SG&A cost and profit were determined based on the financial information of Ternium S.A. for 2023 as explained in recitals (81) to (83). SG&A cost and profit accounted for 4,7 % and 15,8 % of the Costs of Goods Sold respectively. The respective percentages of undistorted SG&A cost and profit were applied on top of the undistorted cost of production.
- (89) On that basis, the Commission constructed the normal value on an ex-works basis in accordance with Article 2(6a)(a) of the basic Regulation. The constructed normal value was 14 977,99 CNY/tonne.

⁽³⁷⁾ Ternium S.A. – Annual Report 2023. Available at https://s2.q4cdn.com/156255844/files/doc_news/archive/AGSM/2024/Annual-Report-2023.pdf (last viewed 28 February 2025).

⁽³⁸⁾ Ibid. Segment information, p. 93 and 94.

3.3. Production capacity and spare capacity in the PRC

- (90) The production capacity of OCS in China gradually increased during the period considered as vertically integrated steel mills invested in the manufacturing of downstream products, such as colour-coated steel products. Total production capacity of OCS rose from 50 million tonnes in 2020 to over 55 million tonnes in 2023. ⁽³⁹⁾
- (91) In 2020, eight new colour-coated production lines were added, with a total capacity of 1,59 million tonnes. Five new production lines were put into operation in 2021, with a capacity of 800 000 tonnes. In 2022, an additional capacity of 2,3 million tonnes spread over 11 new production lines was expected to be built in several provinces including Tianjin, Liaoning, Fujian, Guangdong, Hebei, and Fujian. ⁽⁴⁰⁾ Some of the projects were however delayed due to a stagnant domestic demand for colour-coated coils. In 2023, eight new production lines were launched with a total capacity of 1,9 million tonnes. The Chinese OCS industry was supposed to further grow also in 2024 with an additional capacity of 2,07 million tonnes planned for eight new production lines. ⁽⁴¹⁾
- (92) Production capacity in China continues to grow at a massive scale despite its utilisation rate. The new capacity added during the period considered alone would be able to fully meet the demand on the Union market.
- (93) The additional investments in OCS production lines were carried out despite the capacity utilisation remaining continuously low. During the period considered the capacity utilisation dropped from 68 % in 2020 ⁽⁴²⁾ to approximately 50 % in 2022 and 2023 ⁽⁴³⁾. Thus, in the review investigation period, the Chinese OCS producers had available a spare capacity that equalled almost seven times the demand for OCS in the Union.
- (94) Consequently, the Commission considered that should the measures be repealed, the Chinese OCS producers would be able to flood the Union market with their product.

3.4. Relationship between export prices to third countries and normal value in the PRC

3.4.1. Normal value

- (95) The Commission determined the normal value as explained in section 3.2.

3.4.2. Export price

- (96) In the absence of cooperation by exporting producers from the PRC, the export price to third countries was determined based on trade statistics from GTA.
- (97) Accordingly, the Commission identified Thailand, Indonesia, India, South Korea, and Türkiye (in the order of export volumes) as the main export markets for Chinese OCS in the review investigation period. Imports to these five countries represented 38 % of world's imports of OCS originating in the PRC.
- (98) The weighted average import price per country at CIF level was corrected to ex-works level. Thus, the CIF price was reduced by the sea freight and insurance cost and domestic transport cost.
- (99) The Commission based the reduction of the CIF price to ex-works for sea freight and insurance on the CIF-to-FOB coefficient published by OECD in the ITIC database. The applicable average coefficient was determined for each of the four countries individually and based on the four HS4 codes which cover the product under review.

⁽³⁹⁾ MySteel Annual Report: Market review of colour-coated coils in 2022 and outlook for 2023 ('MySteel Annual Report 2022'). Available at https://m.mysteel.com/23/0110/11/2D53D06744974F96_abc.html (last viewed 24 April 2025). MySteel Annual Report: Market review of colour-coated coils in 2023 and outlook for 2024 ('MySteel Annual Report 2023'). Available at https://m.mysteel.com/a/24010418/66232834598618F7_abc.html (last viewed 24 April 2025).

⁽⁴⁰⁾ MySteel Annual Report 2022.

⁽⁴¹⁾ MySteel Annual Report 2023.

⁽⁴²⁾ MySteel Annual Report 2022.

⁽⁴³⁾ MySteel Annual Report 2023.

- (100) The Commission estimated the domestic transport cost based on data relating to exports from the PRC as published in the most recent Doing Business report ⁽⁴⁴⁾.
- (101) The export prices at ex-works level determined as detailed in recitals (96) to (100) ranged from 5 177,18 CNY/tonne for Thailand to 6 563,66 CNY/tonne for India.

3.4.3. *Comparison and price difference*

- (102) The Commission compared the constructed normal value established in accordance with Article 2(6a)(a) of the basic Regulation and the export price to third countries on an ex-works basis, in accordance with Article 2(11) and (12) of the basic Regulation.
- (103) The Commission further expressed the price difference as a percentage of the CIF price prevailing in each of the major export markets.
- (104) On this basis, the Commission concluded that the PRC exported OCS to the key export market at a price that was significantly below the normal value of OCS. The price difference ranged from 118 % for India to 173 % for Thailand.
- (105) Those findings reflect the pricing behaviour of Chinese exporters of OCS on all export markets. The Commission concluded that the Chinese exports to the Union were likely to be made at dumped prices should the measures cease to exist.

3.5. **Attractiveness of the Union market**

- (106) As discussed in section 3.3, Chinese producers of OCS possess a vast spare production capacity. The Union market represents an attractive opportunity to serve a market of significant size at prices that considerably exceed the domestic Chinese prices of OCS as well as export prices charged to customers in China's major export markets, and thus increase the overall capacity utilisation. This holds true in particular since a number of third countries regulates the access to their market for Chinese coated steel using safeguards and anti-dumping measures (see section 3.5.3).

3.5.1. *Size of the Union market*

- (107) According to MySteel Annual Reports 2022 and 2023, total annual volume of exports of colour-coated steel from China remained above 6 million tonnes since 2018, reaching 6,4 million tonnes in 2023.
- (108) The Union with a consumption of 3,9 million tonnes of OCS in the review investigation period thus represents an attractive opportunity to increase exports by more than 60 %.
- (109) Therefore, the Commission considered that the size of the Union market would likely motivate the Chinese producers to reactivate their unused production capacities and increase exports targeting the Union market.

3.5.2. *Relation between export prices to third countries and the price level in the Union*

- (110) In the review investigation period, the Union producers' price was by 30 to 60 % higher than the export price charged by the Chinese OCS exporters on the five key export markets adjusted to CIF Union frontier price.
- (111) Therefore, the Commission considered that the price levels prevailing on the Union market represent an incentive for the Chinese exporters of OCS to redirect their exports from third countries to the Union should the measures cease to exist.

⁽⁴⁴⁾ Doing Business 2020. Economy profile – China, p. 84. Available at <https://archive.doingbusiness.org/content/dam/doingBusiness/country/c/china/CHN.pdf> (last viewed 26 February 2025).

3.5.3. Access to third country markets

- (112) Anti-dumping measures against Chinese OCS exports are in place in Australia ⁽⁴⁵⁾, Malaysia ⁽⁴⁶⁾, Mexico ⁽⁴⁷⁾, Pakistan ⁽⁴⁸⁾, the Southern African Customs Union ('SACU') ⁽⁴⁹⁾, Thailand ⁽⁵⁰⁾, United Kingdom ⁽⁵¹⁾ and Vietnam ⁽⁵²⁾.
- (113) In addition, imports of *inter alia* Chinese OCS are subject to safeguard measures ⁽⁵³⁾ in Canada, India, Morocco, Türkiye, United Kingdom, Zambia, as well as in the countries of the Gulf Cooperation Council and of SACU.
- (114) Therefore, the Commission considered that, should the current measures be repealed, it is likely that the Chinese OCS producers would redirect exports towards the Union at dumped prices.

3.6. Conclusion

- (115) The prices on the main Chinese export markets suggest that Chinese exports of OCS would likely be sold at dumped prices in the Union market should measures be allowed to lapse. The existing spare capacity in China is sufficient to cover the whole Union consumption. The Union market was found to be attractive for the Chinese OCS producers in terms of its size, as well as in terms of prices. Total consumption of OCS in the Union offers an opportunity for the PRC to significantly enlarge its exports.
- (116) In addition, the prices prevailing on the Union market are considerably higher than the Chinese export prices to the main export markets. The fact that a number of third markets remain closed or with limited accessibility due to trade defence measures in place contributes to the attractiveness of the Union market.
- (117) All the above serves as a strong incentive for the Chinese producers to (a) reactivate idle production capacity and/or (b) redirect their domestic sales or sales to third markets to the Union. Such exports to the Union would be likely at dumped prices while undercutting the price of the Union producers.
- (118) Therefore, the Commission concluded that there was a likelihood of recurrence of dumping should the measures be repealed.

⁽⁴⁵⁾ WTO Trade Remedies Data Portal. Australia – Anti-dumping measures on imports of painted steel strapping originating in the PRC. Available at <https://trade-remedies.wto.org/en/antidumping/investigations/investigation/aus-adc-553-ad-1-2> (last viewed 4 June 2025).

⁽⁴⁶⁾ WTO Trade Remedies Data Portal. Malaysia – Anti-dumping measures on imports of prepainted, painted or colour coated steel coils originating in the PRC. Available at <https://trade-remedies.wto.org/en/antidumping/investigations/measures/mys-ad0215chn-1> (last viewed 4 June 2025).

⁽⁴⁷⁾ RESOLUCIÓN Final del procedimiento administrativo de examen de vigencia de las cuotas compensatorias impuestas a las importaciones de aceros planos recubiertos originarias de la República Popular China y del Taipéi Chino, independientemente del país de procedencia. Available at https://www.gob.mx/cms/uploads/attachment/file/861182/publicaciones_dof_acerosplanosrecubiertos_130923.pdf (last viewed 4 June 2025).

⁽⁴⁸⁾ Notice of Final Determination and Imposition of Definitive Anti-dumping Duties against Dumped Imports of Color Coated Steel Coils/Sheets into Pakistan Originating in and/or Exported from the People's Republic of China and Republic of South Africa. Available at <https://ntc.gov.pk/wp-content/uploads/2018/06/CCC-FD-notice.pdf> (last viewed 4 June 2025).

⁽⁴⁹⁾ WTO Trade Remedies Data Portal. SACU member states – Anti-dumping measures on imports of flat rolled iron or non-alloy steel, painted, plated or coated originating in the PRC. Available at <https://trade-remedies.wto.org/en/antidumping/investigations/measures/zaf-121022a> (last viewed 4 June 2025).

⁽⁵⁰⁾ WTO Trade Remedies Data Portal. Thailand – Anti-dumping measures on imports of painted hot dip plated or coated with aluminium-zinc alloys of cold-rolled steel originating in the PRC. Available at <https://trade-remedies.wto.org/en/antidumping/investigations/measures/tha-ad2019-01-2> (last viewed 4 June 2025).

⁽⁵¹⁾ WTO Trade Remedies Data Portal. United Kingdom – Anti-dumping measures on imports of organic coated steel products originating in the PRC. Available at <https://trade-remedies.wto.org/en/antidumping/investigations/measures/gbr-2020-28-cn> (last viewed 4 June 2025).

⁽⁵²⁾ WTO Trade Remedies Data Portal. Vietnam – Anti-dumping measures on imports of flat rolled iron or non-alloy steel, painted, plated or coated originating in the PRC. Available at <https://trade-remedies.wto.org/en/antidumping/investigations/measures/vnm-ad04-chn-1> (last viewed 4 June 2025).

⁽⁵³⁾ Global Trade Alert – GTA Data Center. Available at <https://globaltradealert.org/data-center> (last viewed 22 April 2025).

4. INJURY

4.1. Definition of the Union industry and Union production

- (119) During the review investigation period, OCS was manufactured by more than 20 known producers in the Union, some of them related to one another. Several of those producers belong to steelmaking groups.
- (120) The total Union production was estimated at 3 981 155 tonnes during the review investigation period on the basis of the questionnaire responses submitted by the sampled Union producers and data submitted the applicant. The Union producers accounting for the total Union production constitute the Union industry within the meaning of Article 4(1) of the basic Regulation.

4.2. Union consumption

- (121) The investigation found that a share of the Union industry uses its production for captive use, that is it is often simply transferred (without invoice) and/or delivered at transfer prices within the same company or group of companies for further downstream processing. As in the original investigation (in the recitals (68)-(69) of the Commission Implementing Regulation (EU) 2019/687 of 2 May 2019), it was considered that economic indicators such as production, capacity, capacity utilisation, investments, stocks, employment, productivity, wages and ability to raise capital depend upon the whole activity, regardless of whether the production is for captive use or sold on the free market. However, sales volume and sales prices on the Union market, market share, growth, export volume and prices focus on the situation prevailing on the free market (and thus, excluding captive activities). Thus, the injury indicators were corrected for the known captive use and sales in the Union industry. As a result of this calculation, given that, on one hand, the volume used captively was in itself limited (between 5 and 10 % of production) and, on the other, it had developed in line with the volumes sold on the free market, it was not further analysed separately.
- (122) The Union consumption was established on the basis of (i) Eurostat import statistics; and (ii) sales volumes of the Union industry in the Union as submitted by the applicant. Those sales volumes were cross-checked and updated where necessary as regards sampled Union producers as a result of the verification visits to their premises.
- (123) During the period considered the Union consumption developed as follows:

Table 2

Union consumption (tonnes)

	2020	2021	2022	RIP
Total Union consumption	4 626 291	5 109 594	4 794 716	4 240 902
Index (2020=100)	100	110	104	92

Source: Verified questionnaire replies and Eurostat.

- (124) During the period considered, the Union consumption decreased by 8 %. The sampled Union producers explained the decrease of Union consumption in the review investigation period by to the lower economic performance of Germany and accompanying lower demand of OCS.

4.3. Imports from China

4.3.1. Volume and market share of the imports from the country concerned

(125) The Commission established the volume of imports and prices on the basis of import statistics at TARIC level using information collected on the grounds of Article 14(6) of the basic Regulation.

(126) Over the period considered imports from China into the Union developed as follows:

Table 3

Import quantity (tonnes) and market share

	2020	2021	2022	RIP
Quantity of imports from China (tonnes)	4 331	1 083	2 432	2 554
Index (2020=100)	100	25	56	59
Market share (%)	0,09 %	0,02 %	0,05 %	0,06 %
Index (2020=100)	100	22	53	63

Source: Eurostat.

(127) The volume of imports from China was negligible over the whole period considered.

4.3.2. Prices of the imports from China and price undercutting

(128) Over the period considered the price of imports from China into the Union developed as follows:

Table 4

Import prices (EUR/ tonne)

	2020	2021	2022	RIP
China	594	1 639	1 675	1 167
Index (2020=100)	100	276	282	196

Source: Eurostat.

(129) Over the period considered the prices of Chinese imports increased by 97 %, however they applied all the time to minimal volumes of imports. Those minimal volumes of imports cannot be considered representative, and they do not allow for any meaningful price undercutting calculation.

4.4. Imports from third countries other than China

(130) The imports of organic coated steel from third countries other than China were mainly from India, the Republic of Korea, United Kingdom, Vietnam, Türkiye, Taiwan, North Macedonia and Russia.

(131) The volume of imports into the Union as well as the market share and price trends for imports of organic coated steel from other third countries developed as follows:

Table 5

Imports from third countries

Country		2020	2021	2022	RIP
India	Volume (tonnes)	89 242	152 445	266 726	211 683
	Index (2020=100)	100	171	299	237
	Market share	1,9 %	3,0 %	5,6 %	5,0 %
	Average price (EUR/tonne)	759	1 109	1 389	1 038
	Index (2020=100)	100	146	183	137
Republic of Korea	Volume (tonnes)	95 319	128 150	204 542	197 508
	Index (2020=100)	100	134	215	207
	Market share	2,1 %	2,5 %	4,3 %	4,7 %
	Average price (EUR/tonne)	863	1 113	1 659	1 230
	Index (2020=100)	100	129	192	143
United Kingdom (*)	Volume (tonnes)	93 266	90 602	81 935	107 261
	Index (2021=100)	100	97	88	115
	Market share	2,0 %	1,8 %	1,7 %	2,5 %
	Average price (EUR/tonne)	1 787	1 647	2 040	1 712
	Index (2021=100)	100	92	114	96
Other third countries	Volume (tonnes)	198 850	256 840	310 654	181 455
	Index (2020=100)	100	129	156	91
	Market share	4,3 %	5,0 %	6,5 %	4,3 %
	Average price (EUR/tonne)	747	1 044	1 435	1 102
	Index (2020=100)	100	140	192	148

Country		2020	2021	2022	RIP
Total of all third countries except China	Volume (tonnes)	476 677	628 037	863 857	697 907
	<i>Index (2020=100)</i>	100	132	181	146
	Market share	10,3 %	12,3 %	18,0 %	16,5 %
	Average price (EUR/tonne)	779	1 161	1 531	1 212
	<i>Index (2020=100)</i>	100	149	197	156

Source: Eurostat.

(*) Absence of statistical data for 2020 – the indicated volume and value for 2020 is an estimation, representing the arithmetic average of the period 2021-RIP.

- (132) Over the period considered, the volume of imports from third countries increased to reach a market share of 16,5 %. Most of these imports were from India and Korea, followed by United Kingdom, Vietnam, Türkiye and Taiwan. Imports from India and the Republic of Korea increased significantly and their combined market share almost doubled to reach 9,7 % in the review investigation period. Average prices of imports from India and the Republic of Korea were below the Union industry's sales prices and they exerted price pressure on the prices of OCS prevailing on the Union market.

4.5. Economic situation of the Union industry

4.5.1. General remarks

- (133) The assessment of the economic situation of the Union industry included an evaluation of all economic indicators having a bearing on the state of the Union industry during the period considered.
- (134) As mentioned in recital (12), sampling was used for the assessment of the economic situation of the Union industry.
- (135) For the injury determination, the Commission distinguished between macroeconomic and microeconomic injury indicators. The Commission evaluated the macroeconomic indicators on the basis of data contained in the verified questionnaire reply of the applicant, cross-checked with the verified questionnaire replies of the sampled Union producers. The Commission evaluated the microeconomic indicators on the basis of data contained in the questionnaire replies from the sampled Union producers (see recital (21)). Both sets of data were found to be representative of the economic situation of the Union industry.
- (136) The macroeconomic indicators (production, production capacity, capacity utilisation, sales volume, market share, employment, productivity, growth, magnitude of dumping margins and recovery from the effects of past dumping) were assessed at the level of the whole Union industry. The assessment was based on the information provided by the applicant, cross-checked with the verified questionnaire replies of the sampled Union producers.
- (137) The analysis of microeconomic indicators (stocks, sale prices, profitability, cash flow, investments, return on investments, ability to raise capital, and wages) was carried out at the level of the sampled Union producers. The assessment was based on their information which was duly verified during an on-spot verification visit.

4.5.2. Macroeconomic indicators

4.5.2.1. Production, production capacity and capacity utilisation

(138) The total Union production, production capacity and capacity utilisation developed over the period considered as follows:

Table 6

Production, production capacity and capacity utilisation

	2020	2021	2022	RIP
Production volume (tonnes)	4 721 729	5 251 800	4 396 916	3 981 155
<i>Index (2020=100)</i>	100	111	93	84
Production capacity (tonnes)	6 311 442	6 335 399	6 492 638	6 420 797
<i>Index (2020=100)</i>	100	100	103	102
Capacity utilisation	74,8 %	82,9 %	67,7 %	62,0 %
<i>Index (2020=100)</i>	100	111	91	83

Source: Macro-questionnaire reply.

(139) The production volume first increased in 2021, as the construction sector performed well during the Covid-19 pandemics in 2020 and 2021. The production capacity increased as well. Over the period considered there was, however, an overall decrease in production volume (-16 %) and the capacity utilisation (-17 %) as, since 2022, the Union economy faced decreased economic performance, rising inflation and increased cost of production (increasing wages and increasing prices for building materials).

4.5.2.2. Sales volume and market share

(140) The Union industry's sales volume and market share developed over the period considered as follows:

Table 7

Sales volume (tonnes) and market share

	2020	2021	2022	RIP
Total sales volume on the Union market	4 145 282	4 480 473	3 928 427	3 540 441
<i>Index (2020=100)</i>	100	108	95	85
Market share	89,6 %	87,7 %	81,9 %	83,5 %
<i>Index (2020=100)</i>	100	98	91	93

Source: Verified questionnaire replies.

(141) The sales by the Union industry on the Union market decreased by 15 % during the period considered following the economic trend described in recitals (124) and (139).

(142) As shown in table 7, the market share of the Union industry decreased during the period considered from 89,6 % to 83,5 %.

4.5.2.3. Growth

(143) The Union industry managed to benefit temporarily from growth on the Union market with regard to the higher performance of the construction sector and higher demand for steel products in 2020 and 2021. The Union industry kept significant market shares during the whole period considered. However, following the economic challenges described in recital (139) the future ability for growth is put at risk.

4.5.2.4. Employment and productivity

(144) Employment and productivity developed over the period considered as follows:

Table 8

Employment and productivity

	2020	2021	2022	RIP
Number of employees	8 326	8 615	7 931	7 235
<i>Index (2020=100)</i>	100	103	95	87
Productivity (tonnes/FTE)	567	610	554	550
<i>Index (2020=100)</i>	100	108	98	97

Source: Verified questionnaire replies.

(145) Both employment and productivity of the Union producers' workforce, measured as output (tonnes) per person employed per year, decreased during the period considered. Those decreasing trends reflect the overall decrease in production and sales volume.

4.5.2.5. Magnitude of the dumping margin and recovery from past dumping

(146) Since the volumes of the dumped imports from China were low, the Commission concluded that the Chinese imports in the period considered were not the basis for a finding of dumping or its magnitude. The Commission established in recital (160) below that the Union industry as a whole showed recovery from past dumping during 2021 and 2022. This recovery, however, was due to exceptional circumstances, in particular the boom in the construction sector caused by the Covid-19 pandemic. The Commission concluded in recital (166) below that the material injury of the Union industry in the review investigation period was caused by the increase in cost of production, the drop in consumption and the increase of imports from other countries, in particular India and the Republic of Korea.

4.5.3. Microeconomic indicators

4.5.3.1. Prices and factors affecting prices

- (147) The weighted average unit sales prices of the sampled Union producers to unrelated customers in the Union developed over the period considered as follows:

Table 9

Sales prices and cost of production in the Union (EUR/tonnes)

	2020	2021	2022	RIP
Average unit sales price in the Union on the total market	891	1 239	1 668	1 241
<i>Index (2020=100)</i>	<i>100</i>	<i>139</i>	<i>187</i>	<i>139</i>
Unit cost of production	897	1 117	1 447	1 365
<i>Index (2020=100)</i>	<i>100</i>	<i>125</i>	<i>161</i>	<i>152</i>

Source: Verified questionnaire replies of the sampled Union producers.

- (148) Over the period considered, the Union industry's cost of production increased by 52 %. This increase in cost was particularly strong in 2021 and 2022, due to Russia's unjustified and unprovoked war of aggression against Ukraine which caused energy prices to reach unprecedentedly high levels, rise in certain other raw material prices, rising inflation and increasing wages. In addition, the significant decrease in Union demand in 2022 and the review investigation period resulted in significantly lower production volumes which in addition added to the fixed unit costs. In 2023 this trend reversed slightly and cost of production went down by 6 % compared to 2022.
- (149) However, whereas the Union industry had been able in 2021 and 2022 to increase its sales prices even more than by passing on these additional costs, this was not anymore possible in 2023. The decrease in Union demand in the review investigation period, in conjunction with the low prices of imports from in particular India and the Republic of Korea, caused the Union industry to sell below its cost of production in review investigation period.

4.5.3.2. Labour costs

- (150) The average labour costs of the sampled Union producers developed over the period considered as follows:

Table 10

Average labour costs per employee

	2020	2021	2022	RIP
Average labour costs per employee (EUR)	86 061	92 649	92 432	96 544
<i>Index (2020=100)</i>	<i>100</i>	<i>108</i>	<i>107</i>	<i>112</i>

Source: Verified questionnaire replies of the sampled Union producers.

(151) The average wage levels increased over the period considered by 12 %, partly due to the high inflation rate.

4.5.3.3. Inventories

(152) Stock levels of the sampled Union producers developed over the period considered as follows:

Table 11

Inventories

	2020	2021	2022	RIP
Closing stocks (tonnes)	72 564	70 446	60 451	64 790
Index (2020=100)	100	97	83	89
Closing stocks as a percentage of production	1,5 %	1,3 %	1,4 %	1,6 %
Index (2020=100)	100	87	89	106

Source: Verified questionnaire replies of the sampled Union producers.

(153) The Union producers decreased their stock in the period considered, in line with the decreases in production and sales. This indicator, however, is not considered to be very relevant to assess the economic situation of the Union producers. OCS is mostly produced on the basis of orders. In any event, the stocks represented less than 2 % of the total sales during the review investigation period.

4.5.3.4. Profitability, cash flow, investments, return on investments and ability to raise capital

(154) Profitability, cash flow, investments and return on investments of the sampled Union producers developed over the period considered as follows:

Table 12

Profitability, cash flow, investments and return on investments

	2020	2021	2022	RIP
Profitability of sales in the Union to unrelated customers (% of sales turnover)	- 0,6 %	13,4 %	16,2 %	- 5,7 %
Index (2020=100)	- 100	2 322	2 808	- 993
Cash flow (EUR)	54 308 572	176 906 495	317 026 060	- 28 263 914
Index (2020=100)	100	326	584	- 52
Investments (EUR)	18 760 581	24 443 392	23 277 582	30 845 548
Index (2020=100)	100	130	124	164

	2020	2021	2022	RIP
Return on investments	- 0,5 %	6,9 %	9,9 %	- 2,4 %
Index (2020=100)	- 100	1 470	2 160	- 523

Source: Verified questionnaire replies of the sampled Union producers.

- (155) The Commission established the profitability of the sampled Union producers by expressing the pre-tax net profit of the sales of the like product to unrelated customers in the Union as a percentage of the turnover of those sales.
- (156) During the period considered the Union industry was profitable in 2021 and 2022. Overall, the construction sector performed well during the Covid-19 pandemics in 2020 and the aftermath in 2021 and 2022. Low interest rates, short lockdowns in construction section, increased investments and works on property renovations stimulated demand for construction products. As a result, the Union industry managed to increase its sales and production volume as well as sales prices and reached significant profit margins, all in the years following the imposition of the original measures. However, after consumption had started to slow down in 2022 and that fall continued in 2023, the Union industry's profitability became negative, and the Union industry incurred a significant loss of 5,7 % in the review investigation period.
- (157) The net cash flow is the ability of the Union producers to self-finance their activities. The trend in net cash followed the development of the overall profitability of the Union industry.
- (158) The return on investments is the profit in percentage of the net book value of investments. During the period considered the Union industry, highly capital-intensive, made regular investments for the optimisation, and upgrading of the existing production machinery. In addition, significant investments were made in order to comply with legal requirements for energy-efficiency, environment protection and increased work safety. Depending on the company, there were investments aimed at costs reduction, energy optimisation and/or also at revamping facilities that had been negatively affected by the lower capacity utilisation observed during the original investigation period.
- (159) The return on investments during the period considered followed closely the profitability trend. Since the imposition of measures the ability to raise capital has improved.

4.6. Conclusion on injury

- (160) The investigation found that the Union industry as a whole showed recovery from past dumping during 2021 and 2022. This recovery, however, was due to exceptional circumstances, in particular the boom in the construction sector caused by the Covid-19 pandemic. Once the market situation went back to normal, there was a reverse of this recovery.
- (161) This is particularly evident in the Union industry's profitability, as, given its inability to increase prices in line with rising costs, the Union industry went into losses in the review investigation period. The injury is also visible in other important indicators, such as a significant loss of production and sales volumes and also of market share.
- (162) Based on the above, the Commission concluded that the Union industry suffered material injury within the meaning of Article 3(1) of the basic Regulation during the review investigation period.

5. CAUSATION

- (163) During the period considered, the Union industry lost significant sales volumes on the Union market, as its Union sales decreased by 15 %. As consumption dropped by 8 %, the Union industry's market share also decreased significantly, by 6,1 percentage points from 89,6 % to 83,5 %.
- (164) Chinese imports did not play a role in the Union industry's injury. As indicated at recital (129), the level of imports from China was negligible throughout the period considered. Imports from other countries did play a role: they held a market share of 10,3 % in 2020 and in the review investigation period, their share of the Union market had increased to 16,5 %. Moreover, prices from the two most important sources of imports which each had a market share of around 5 % in the review investigation period, India and the Republic of Korea, dragged down prices of the Union industry. Their low prices made it impossible for the Union industry to reflect their full cost of production in its sales prices in the review investigation period.
- (165) The Union industry had been confronted with a strong increase in prices of energy and key input materials following the start of the Russian war of aggression against Ukraine. The Union industry could initially cope with that, taking advantage of the booming construction market in the post-Covid-19 pandemic years 2021 and 2022 and therefore reflect these costs in its selling prices. However, in 2023 this was not anymore possible.
- (166) The Commission therefore concluded that Chinese imports did not contribute to the material injury to the Union industry, but that other factors, in particular the increase in cost of production, the drop in consumption and the increase of imports from other countries, in particular India and the Republic of Korea, caused that injury.
- (167) Therefore, the Commission decided to further assess, in accordance with Article 11(2) of the basic Regulation, whether there would be a likelihood of recurrence of injury originally caused by the dumped imports from the PRC if the measures against such imports were allowed to lapse.

6. LIKELIHOOD OF RECURRENCE OF INJURY

- (168) The Commission assessed the following elements: the production capacity and spare capacity in the PRC; the attractiveness of the Union market and export prices to third country markets; possible absorption capacity of third country markets; likely price levels of imports from the PRC in the absence of anti-dumping measures and their impact on the Union industry.

6.1. Production capacity and spare capacity in the PRC

- (169) As set out in recitals (90)-(94), there is a substantial production capacity and spare capacity in China which would allow a rapid increase of exports to the Union market in the event that the anti-dumping measures are allowed to expire. The production capacity in China amounted to 55 million tonnes in the review investigation period. As the capacity utilisation rate was 50 %, the spare capacity alone equals 6-7 times Union consumption.

6.2. Attractiveness of the Union market and export prices to third country markets

- (170) As set out in recitals (106)-(114), the Union market is an attractive market both in size and in terms of prices. In 2023, with a free market of 4,2 million tonnes, the Union market is one of the largest markets world-wide. Moreover, prices on the Union market are significantly higher than domestic Chinese prices of OCS and Chinese export prices to China's current major export markets.

6.3. Possible absorption capacity of third country markets

- (171) As set out in recital (112), anti-dumping measures against Chinese OCS imports are in place in six important third country markets. This makes these markets less attractive for Chinese exporting producers and is an additional element which supports the finding that PRC's current production capacity would most likely be used to serve the Union market, should the measures be repealed.

6.4. Likely price levels of imports from the PRC in the absence of anti-dumping measures, and their impact on the Union industry

- (172) As explained in recitals (110)-(111), Chinese prices on their main export market are significantly below the Union industry sales prices in the review investigation period. There is a likelihood that the Chinese OCS producers would adopt a comparable pricing behaviour when exporting to the Union should the original measures elapse. In the absence of continuation of the anti-dumping measures, such prices will severely undercut the Union industry prices and result in price suppression caused by Chinese imports.

6.5. Conclusion

- (173) In view of the above, it is concluded that the absence of measures would in all likelihood result in a significant increase of dumped imports from China at injurious prices, and therefore further aggravate the injurious situation of the Union industry.

7. UNION INTEREST

- (174) In accordance with Article 21 of the basic Regulation, the Commission examined whether maintaining the existing anti-dumping measures would be against the interest of the Union as whole. The determination of the Union interest was based on an appreciation of all the various interests involved, including those of the Union industry, importers and users.

7.1. Interest of the Union industry

- (175) The investigation showed that should the measures expire, this would likely have a significant negative effect on the Union industry. The Union industry's situation would quickly deteriorate further in terms of falling sales volumes and prices resulting in rising losses. The continuation of measures would allow the Union industry to further exploiting its potential on a Union market that is a level-playing field.

- (176) Therefore, maintaining the anti-dumping measures in force is in the interest of the Union industry.

7.2. Interest of unrelated importers

- (177) As mentioned in recital (15) above, ten known importers were contacted in this investigation and invited to cooperate. None came forward or cooperated in any way in the investigation.

- (178) It is recalled that in the original investigation it was found that, given the importers' profits and sources of supply, any negative impact of the imposition of measures on importers, if any, would not be disproportionate.

- (179) In the current investigation there is no evidence on file suggesting the opposite, and it can thus accordingly be confirmed that the measures currently in force had no substantial negative effect on the financial situation of importers and that the continuation of the measures would not unduly affect them.

7.3. Interest of users

- (180) 59 known users were contacted in this investigation and invited to cooperate. No user came forward or cooperated in any way in the investigation.

- (181) It is recalled that in the original investigation ten users submitted questionnaire replies. At that time, it was found that, given the users' profits and sources of supply, the impact of the imposition of measures on users, if any, would not be disproportionate.

- (182) In the current investigation there is no evidence on file suggesting that the measures in force affected them in any negative way. In fact, the applicant submitted evidence that key users experienced improvements in profitability during the period under review. According to the request, the measures in place do not have a sizeable impact on users and consumers as OCS represents a negligible part of the cost of downstream products (for example EUR 0,42 of the cost of producing a washing machine or 0,4 % of the investment of an empty factory building).
- (183) On that basis it is confirmed that the measures currently in force had no substantial negative effect on the financial situation of users and that the continuation of the measures would not unduly affect them.

7.4. Conclusion on Union interest

- (184) Therefore, the Commission concluded that there are no compelling reasons of Union interest against the maintenance of the definitive anti-dumping measures on imports of organic coated steel originating in China.

8. ANTI-DUMPING MEASURES

- (185) On the basis of the conclusions reached by the Commission on recurrence of dumping, recurrence of injury and Union interest, the anti-dumping measures on organic coated steel from China should be maintained.
- (186) To minimise the risks of circumvention due to the difference in duty rates, special measures are needed to ensure the application of the individual anti-dumping duties. The application of individual anti-dumping duties is only applicable upon presentation of a valid commercial invoice to the customs authorities of the Member States. The invoice must conform to the requirements set out in Article 1(3) of this regulation. Until such invoice is presented, imports should be subject to the anti-dumping duty applicable to 'all other imports originating in the People's Republic of China'.
- (187) While presentation of this invoice is necessary for the customs authorities of the Member States to apply the individual rates of anti-dumping duty to imports, it is not the only element to be taken into account by the customs authorities. Indeed, even if presented with an invoice meeting all the requirements set out in Article 1(3) of this Regulation, the customs authorities of Member States must carry out their usual checks and may, like in all other cases, require additional documents (shipping documents, etc.) for the purpose of verifying the accuracy of the particulars contained in the declaration and ensure that the subsequent application of the lower rate of duty is justified, in compliance with customs law.
- (188) Should the exports by one of the companies benefiting from lower individual duty rates increase significantly in volume after the imposition of the measures concerned, such an increase in volume could be considered as constituting in itself a change in the pattern of trade due to the imposition of measures within the meaning of Article 13(1) of the basic Regulation. In such circumstances and provided the conditions are met an anti-circumvention investigation may be initiated. This investigation may, inter alia, examine the need for the removal of individual duty rate(s) and the consequent imposition of a country-wide duty.
- (189) The individual company anti-dumping duty rates specified in this Regulation are exclusively applicable to imports of the product under review originating in China and produced by the named legal entities. Imports of the organic coated steel produced by any other company not specifically mentioned in the operative part of this Regulation, including entities related to those specifically mentioned, should be subject to the duty rate applicable to 'all other imports originating in the People's Republic of China'. They should not be subject to any of the individual anti-dumping duty rates.

- (190) A company may request the application of these individual anti-dumping duty rates if it changes subsequently the name of its entity. The request must be addressed to the Commission ⁽⁵⁴⁾. The request must contain all the relevant information enabling to demonstrate that the change does not affect the right of the company to benefit from the duty rate which applies to it. If the change of name of the company does not affect its right to benefit from the duty rate which applies to it, a regulation about the change of name will be published in the *Official Journal of the European Union*.
- (191) All interested parties were informed of the essential facts and considerations on the basis of which it was intended to recommend that the existing measures be maintained. They were also granted a period to make representations subsequent to this disclosure. No comments were received.
- (192) An exporter or producer that did not export the product concerned to the Union during the period that was used to set the level of the duty currently applicable to its exports may request the Commission to be made subject to the anti-dumping duty rate for cooperating companies not included in the sample. The Commission should grant such request, provided that three conditions are met. The new exporting producer would have to demonstrate that: (i) it did not export the product concerned to the Union during the period that was used to set the level of the duty applicable to its exports; (ii) it is not related to a company that did so and thus is subject to the anti-dumping duties; and (iii) has exported the product concerned thereafter or has entered into an irrevocable contractual obligation to do so in substantial quantities.
- (193) In view of Article 109 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council ⁽⁵⁵⁾ when an amount is to be reimbursed following a judgment of the Court of Justice of the European Union, the interest to be paid should be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the *Official Journal of the European Union* on the first calendar day of each month.
- (194) The measures provided for in this regulation are in accordance with the opinion of the Committee established by Article 15(1) Regulation (EU) 2016/1036,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is imposed on imports of certain organic coated steel products, i.e. flat-rolled products of non-alloy and alloy steel (not including stainless steel) which are painted, varnished or coated with plastics on at least one side, excluding so-called 'sandwich panels' of a kind used for building applications and consisting of two outer metal sheets with a stabilising core of insulation material sandwiched between them, excluding those products with a final coating of zinc-dust (a zinc-rich paint, containing by weight 70 % or more of zinc), and excluding those products with a substrate with a metallic coating of chromium or tin, currently falling within CN codes ex 7210 70 80, ex 7212 40 80, ex 7225 99 00, ex 7226 99 70 (TARIC codes 7210 70 80 11, 7210 70 80 91, 7212 40 80 01, 7212 40 80 21, 7212 40 80 82, 7225 99 00 11, 7225 99 00 91, 7226 99 70 11 and 7226 99 70 91), and originating in the People's Republic of China.

⁽⁵⁴⁾ European Commission, Directorate-General for Trade, Directorate G, Rue de la Loi 170, 1040 Brussels, Belgium.

⁽⁵⁵⁾ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>).

2. The rates of the definitive anti-dumping duty applicable to the net, free-at-Union-frontier price, before duty, of the product described in paragraph 1 and produced by the companies listed below shall be as follows:

Company	Duty (%)	TARIC Additional Code
Union Steel China	0	B311
Zhangjiagang Panhua Steel Strip Co., Ltd, Chongqing Wanda Steel Strip Co., Ltd, and Zhangjiagang Free Trade Zone Jiaxinda International Trade Co., Ltd.	26,1	B312
Zhejiang Huadong Light Steel Building Material Co. Ltd and Hangzhou P.R.P.T. Metal Material Company, Ltd.	5,9	B313
Angang Steel Company Limited	16,2	B314
Anyang Iron Steel Co., Ltd.	0	B315
Baoshan Iron & Steel Co., Ltd.	0	B316
Baoutou City Jialong Metal Works Co.,Ltd.	16,2	B317
Changshu Everbright Material Technology Co.,Ltd.	16,2	B318
Changzhou Changsong Metal Composite Material Co.,Ltd.	16,2	B319
Cibao Modern Steel Sheet Jiangsu Co., Ltd.	0	B320
Inner Mongolia Baotou Steel Union Co.,Ltd.	16,2	B321
Jiangyin Ninesky Technology Co.,Ltd.	0	B322
Jiangyin Zhongjiang Prepainted Steel Mfg Co.,Ltd.	0	B323
Jigang Group Co., Ltd.	16,2	B324
Maanshan Iron&Steel Company Limited	16,2	B325
Qingdao Hangang Color Coated Sheet Co., Ltd.	16,2	B326
Shandong Guanzhou Co., Ltd.	16,2	B327
Shenzen Sino Master Steel Sheet Co.,Ltd.	16,2	B328
Tangshan Iron And Steel Group Co.,Ltd.	16,2	B329
Tianjin Xinyu Color Plate Co.,Ltd.	16,2	B330
Wuhan Iron And Steel Company Limited	16,2	B331
Wuxi Zhongcai New Materials Co.,Ltd.	0	B332
Xinyu Iron And Steel Co.,Ltd.	0	B333
Zhejiang Tiannu Color Steel Co., Ltd.	16,2	B334
All other imports originating in the People's Republic of China	13,6	B999

3. The application of the individual duty rates specified for the companies mentioned in paragraph 2 shall be conditional upon presentation to the Member States' customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows: 'I, the undersigned, certify that the (volume in tonnes) of organic coated steel products sold for export to the European Union covered by this invoice was manufactured by (company name and address) (TARIC additional code) in the People's Republic of China. I declare that the information provided in this invoice is complete and correct.' Until such invoice is presented, the duty applicable to all other imports originating in the People's Republic of China shall apply.

4. Article 1(2) may be amended to add new exporting producers from China and make them subject to the appropriate weighted average anti-dumping duty rate for cooperating companies not included in the sample. A new exporting producer shall provide evidence that:

- (a) it did not export the goods described in Article 1(1) originating in China during the period between 1 October 2010 and 30 September 2011 ('original investigation period');
- (b) it is not related to an exporter or producer subject to the measures imposed by this Regulation, and which have or could have cooperated in the investigation that led to the duty; and
- (c) it has either actually exported the product under review originating in China or has entered into an irrevocable contractual obligation to export a significant quantity to the Union after the end of the original investigation period.

5. Should the definitive countervailing duties imposed by Article 1 of Commission Implementing Regulation (EU) 2025/1506 ⁽⁵⁶⁾ be modified or removed, the duties specified in paragraph 2 will be increased by the same proportion limited to the actual dumping margin found or the injury margin found as appropriate per company and from the entry into force of this Regulation.

6. In cases where the countervailing duty has been subtracted from the anti-dumping duty for certain exporting producers, refund requests under Article 21 of Regulation (EU) 2016/1037 of the European Parliament and of the Council ⁽⁵⁷⁾ shall also trigger the assessment of the dumping margin for that exporting producer prevailing during the refund investigation period. The amount to be reimbursed to the applicant for refund cannot exceed the difference between the duty collected and the combined countervailing and anti-dumping duty established in the refund investigation.

7. Unless otherwise specified, the provisions in force concerning customs duties shall apply.

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 24 July 2025.

For the Commission
The President
Ursula VON DER LEYEN

⁽⁵⁶⁾ Commission Implementing Regulation (EU) 2025/1506 of 24 July 2025 imposing a definitive countervailing duty on imports of certain organic coated steel products originating in the People's Republic of China following an expiry review pursuant to Article 18 of Regulation (EU) 2016/1037 of the European Parliament and of the Council (OJ L, 2025/1506, 25.7.2025, ELI: http://data.europa.eu/eli/reg_impl/2025/1506/oj).

⁽⁵⁷⁾ Regulation (EU) 2016/1037 of the European Parliament and of the Council of 8 June 2016 on protection against subsidised imports from countries not members of the European Union (OJ L 176, 30.6.2016, p. 55, ELI: <http://data.europa.eu/eli/reg/2016/1037/oj>).