

# **Executive Summary**

of the

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**Expiry review request under Article 18 of Regulation 2016/1037  
concerning continuous filament glass fibre products from China**

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Submitted by

**GlassFibreEurope**

APFE - European Glass Fibre Producers Association (AISBL)

Prepared by

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## 1. Product description

The product concerned by this Request is certain continuous filament glass fibre products ("GFR"): chopped glass fibre strands, of a length of not more than 50 mm ("chopped strands"); glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3% (as determined by the ISO Standard 1887) ("rovings"); and mats made of glass fibre filaments excluding mats of glass wool ("mats"), originating the People's Republic of China ("China").

Chopped strands are continuous glass strands chopped to a desired length and available with different surface treatments to ensure compatibility with most resin systems. These can be dry use chopped strands or wet use chopped strands.

Roving are continuous glass strands, gathered together, without any mechanical twist and wound, to form a tubular cylindrical package.

Mats of filament are chopped or continuous bonded strands.

Chopped strands are currently classified under Combined Nomenclature (CN) code 7019 1100; rovings under CN code ex 7019 1200 and mats under CN code 7019 3100. The *ad valorem* customs duty applicable to the product concerned originating in China is 7%; additionally, country-wide AD and AS duties of 30.2% apply.

GFR subject to this Request have the same basic features as GFR covered by Regulation 1379/2014<sup>1</sup>. All forms of GFR are produced by the same basic manufacturing process from molten glass and have the same basic physical, chemical and technical characteristics. The main use of the product concerned is as raw materials to reinforce thermoplastic and thermoset resins in the composites industry. They constitute one single product for the purpose of this Request.

## 2. Summary of the Request

The European Glass Fibre Producers Association ("APFE"), an association of EU producers of continuous filament glass fibre products, has evidence that imports of GFR from China continue to be subsidised and that the injury being currently suffered by the EU GFR industry would continue should the anti-subsidy ("AS") measures be allowed to lapse.

Therefore, APFE, on behalf of its members, requests that the European Commission ("Commission") initiate an expiry review ("ER") pursuant to Article 18 of the Basic Regulation of the AS measures currently in force on imports of GFR from China with a view to the extension of these measures for a five-year period ("the Request").

Having found that the initial anti-dumping ("AD") duties of 13.8% imposed by Regulation 248/2011<sup>2</sup> had no remedial effect on the injurious trading behaviour of Chinese exporting producers, Regulation 1379/2014<sup>3</sup> imposed overall country-wide AS duties and AD duties of 30.2% on imports of

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<sup>1</sup> Commission Implementing Regulation (EU) No 1379/2014 of 16 December 2014 imposing a definitive countervailing duty on imports of certain filament glass fibre products originating in the People's Republic of China and amending Council Implementing Regulation (EU) No 248/2011 imposing a definitive anti-dumping duty on imports of certain continuous filament glass fibre products originating in the People's Republic of China, OJ 2014 L367/22, recitals 307 et seq, and 384 et seq.

<sup>2</sup> Council Implementing Regulation (EU) No 248/2011 of 9 March 2011 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain continuous filament glass fibre products originating in the People's Republic of China, OJ 2011 L67/1.

<sup>3</sup> Commission Implementing Regulation (EU) No 1379/2014 of 16 December 2014 imposing a definitive countervailing duty on imports of certain filament glass fibre products originating in the People's Republic of China and amending Council Implementing Regulation (EU) No 248/2011 imposing a definitive anti-dumping duty on imports of certain

GFR from China in December 2014. The AS measures were imposed for a period of five years. The AD measures were reviewed (R641) and extended by Regulation 2017/724 in April 2017.<sup>4</sup> The additional AD and AS measures allowed the EU industry to recover temporarily from the material injury caused by dumped and subsidised GFR imports from China.

However, in response to the imposition of additional AD and AS measures on imports from China, the largest Chinese State-owned GFR producer, the Jushi Group Co. Ltd ("Jushi"), built a €600 million greenfield GFR production plant in a special economic zone in Egypt (that is owned and operated by a Chinese government agency) to avoid payment of the duties. Similarly, the Chinese State-owned Chongqing Polycomp International Corp ("CPIC") strongly increased exports to the EU from its plant in Bahrain.

Dumped and undercutting imports of GFR from Bahrain and Egypt into the EU increased rapidly from 2015 onwards. Within less than three years, these imports had essentially nullified the beneficial effect of the updated AD and AS measures on imports from China. The Commission recognized the need to investigate the situation and initiated parallel AD and AS investigations (AD655 and AS657) in May and June 2019 which are ongoing at the date of this Request.

These developments clearly confirm the attractiveness of the EU market for Chinese GFR producers. There is therefore no doubt that the Chinese GFR industry will recommence direct exports of subsidised GFR to the EU should the AS measures be allowed to expire. This in turn would lead to a continuation of the EU industry's injury that has been caused by Jushi and CPIC via exports from Egypt and Bahrain, respectively.

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continuous filament glass fibre products originating in the People's Republic of China, OJ 2014 L367/22, recitals 307 et seq, and 384 et seq.

<sup>4</sup> Commission Implementing Regulation (EU) 2017/724 of 24 April 2017 imposing a definitive anti-dumping duty on imports of certain continuous filament glass fibre 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 2017 L107/4.

### 3. Interested parties

<b>EU GFR producers</b>
3B Fibreglass Company Sprl
European Owens Corning Fiberglas SPRL
Johns Manville Slovakia
Johns Manville (Schuller GmbH)
Krosglass SA
LANXESS Deutschland GmbH
P+D Fibre Glass Group P - D Glasseiden GmbH Oschatz (stopped production in July 2019)
NEG Glass Fiber Glass
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<b>EU GFR association</b>
European Glass Fibre Producers Association (APFE)
<b>EU distributors of GFR</b>
Advanced Plastics
Azelis Italia srl
Helm AG
FRP Services & Company
UNIVAR
<b>EU users of GFR</b>
Aksys GmbH
Amiblu Holding GmbH
Amitech Germany GmbH
Bang & Bonsomer Group OY
Basell Polyolefine GmbH
BASF AG
Batz Zamudio
Celanese
Chomarat Composites
Dipex sro
DSM Composite Resins
Du Pont De Nemours INT SA
Euroresins UK Ltd
Exel Oy Maentyharju
F.S Fehrer Automotive Systems GmbH
Fiberline Composites A/S
Fibrover Coop. s.c.r.l.
Fothergill Engineered Fabrics Ltd
Fpksa
Gamma Tensor S.L.
Gazechim Composites S.A.
GDP
Haase Tank GmbH
Hexel
Iniziative Industrial Spa
Isola Fabrics SRL
ItaldrySrL
James Dewhurst Ltd
Joh. Klinghuber & Soehne
Kingspan Limited
Lamilux
Lati Spa
Lea Composites

Lonza Compounds
Menzolit GMBH
Menzolit Vitroplast
Mixt Composites Recyclables
Multiple Windings Co Ltd
Nord Composites
Omfa Fabrics
Polychem Handelsn GmbH
Polynt
Polyone
Porcher Industries
Protesa
Rhodia Engineering Plastics S.A.
Röchling Engineering Plastics KG
Sabic Europe
Saertex GmbH
Sairp
Scott Bader Composites
Solvay Performance Polyamide
Sori Societa' Resine Industriali Spa
TER Chemicals
Tolnatek
Top Glass Spa
Valmieras Stikia Skiedra
Vitrex SpA
Vitruilan
Vyncolit
Zaklady Tkanin Technicznych
<b>China GFR Association</b>
Chinese Fiberglass Industry Association
<b>Chinese GFR producers</b>
Changsa Tianxing Fibreglass
Changzhou Dahua Group
China National Building Materials & Equipments (Group) Corp. (CNM)
Chongqing Polycomp International Corp. (CIPC)
Danyang Zhongya Fiberglass Co. Ltd
Dongtai Huayang Glass Fiber Co. Ltd.
Guangzhou Zhongxin Centuray Fiberglass
Hangzhou Saint-Gobain Vetrotex
Hebei Handan Changfeng Material Plant
Hebei Jinniu Energy Resources Co. Ltd.
HuaTek Fiberglass Co. Ltd
Jiangsu Changhai Composite Materials Co., Ltd
Jushi Group Co. Ltd.
Kingboard (Lianzhou) Fibre Glass Company Limited
Lanzhou Petrochemicals cpy
LDZ Spandex Co. Ltd.
Liaoning Yinzhu Group Corp
Luoyang Glass Group Luoyang Jinwei Fiberglass Co. Ltd
Nanjing Kangte Comaosite Material Co. Ltd.
Nantong Chaoliang Fiber Co. Ltd
Shandong Huayao Fiberglass Plant
Shandong Yuxin Glass Fiber Co. Ltd
Shanghai Honghe Material Co Ltd

Shanghai Yaohua E-Fiber Glass Co. Ltd
Shaoxing Yifeng Chemical Fiber Co. Ltd
Shandong Huayao Fiberglass Plant
Shandong Yuxin Glass Fiber Co. Ltd
Shanghai Honghe Material Co
Shaoxing Yougang Spandex Co. Ltd.
Shaoxing Yuegang Monofilament Co. Ltd
Shenma PHP Airbag Yam Marketing (Shanghai) Co., Ltd
Shanyang Jiuda Group Co., Ltd.
Shenyang Xingguang Fiberglass Plant
Shenzhen Jintai Fiber Co., Ltd
Shenzhen Sam Soon Leong Industrial Co., Ltd.
Sichuan Fiberglass Co., Ltd
SichuanWeibo New Material Group Co., Ltd
Taishan Fiberglass Ltd
Tianma Group
Yuntian Chemical Industry Co., Ltd
Zhuhai Gongkong Fiberglass Co. Ltd
Zhuhai Gowin Fiberglass Co., Ltd

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