

EXECUTIVE SUMMARY OF THE ANTI-DUMPING COMPLAINT CONCERNING
IMPORTS OF ELECTROLYTIC CHROMIUM COATED STEEL (“ECCS”) PRODUCTS
ORIGINATING IN THE PEOPLE’S REPUBLIC OF CHINA AND BRAZIL

1. Product concerned

Product subject to the complaint: The product concerned is defined as flat-rolled products of iron or non-alloy steel, plated or coated with chromium oxides or with chromium and chromium oxides (also called electrolytic chromium coated steel or ECCS)¹ originating in the People’s Republic of China (“China”) and Brazil.² The product concerned is currently classified under CN codes 7210 50 00 and 7212 50 20.

ECCS is produced by coating the metal base (low-carbon steel) with an ultra-thin layer of metallic chrome and then with a chromium oxide layer. The product is mainly used for consumer and industrial packaging. ECCS is most frequently used for food packaging – for example in can tops and bottoms, screw and lug caps, snap and press-on closures, crown corks, tabs and shallow-drawn food cans – as well as for other purposes, such as external parts for home appliances, photographic film cases, protective material for optical fibre protection or other electrical and electronic parts.

2. Case summary

Standing: This complaint is brought by the European Steel Association (“EUROFER”) on behalf of the complainant EU producers of ECCS products, which represent 100% of the EU production and thus constitute the Union ECCS industry.

Dumping: ECCS imports from China and Brazil were sold in the EU at significantly dumped prices, with average dumping margins of approximately 25% for China and 67% for Brazil in the IP (Q2/2020 - Q1/2021). The dumping by Chinese and Brazilian imports is clearly illustrated by the provided evidence (based on widely used and authoritative market data).

Injury and causation: The Union ECCS industry is suffering present material injury due to the dumped imports originating in China and Brazil, which surged onto the EU market over the last four years. As a result, the Union industry’s volume of sales decreased significantly and their market share fell considerably too in the period between 2017 and the IP, even as EU consumption marginally increased. Low Chinese and Brazilian prices forced the industry to choose between losing sales to the imports or selling at loss-making prices. In the end, both of these things occurred. As a result, the industry’s capacity utilization fell to unsustainable levels, and its profitability went into losses in 2019; the losses fell further in 2020 and the IP. The producers were forced to lay off many workers, with further layoffs likely unless measures are imposed. There is a clear causal link between the industry’s dire situation and imports from China and Brazil, which grew substantially in volume and in market share at ever decreasing prices.

Union interest: The complaint demonstrates that non-imposition of measures will harm the Union ECCS industry, which will continue to suffer material injury by reason of the subject imports. In contrast, the imposition of measures will not harm user industries. Measures would not result in short supplies, because Chinese and Brazilian imports could continue to enter the EU (on a fairly traded basis), and there is sufficient capacity in the EU and in third countries to

¹ It is also referred to as “tin free steel” or “TFS”.

² It is noted that in the case of ECCS the terms “coated” and “plated” refer to the same technical process.

cover any potential shortfall. Moreover, downstream users and consumers have a clear interest in a healthy Union industry, which will continue to meet their needs with innovation and environmental responsibility.

3. Interested parties

Complainants: The Complainants are ArcelorMittal and Thyssenkrupp.

Exporting Producers: The Exporting Producers in China are: Baosteel, Baosteel Group Shanghai Meishan Co Ltd, Baowu, BENXI XIDA TP, Changzhou Randa Group, Changzou Randa International Trade Co. Ltd., CHINA ZHONGUE P. CO, CNBM INTERNATIONAL GROUP, COMAT JIANGYIN, FUJIAN SINO JAPANESE METAL CORPN, FUJIAN TON YI TP. CO, GUANGZHOU PACIFIC TINPLATE, HAINAN HAIWOO TINPLATE, HANDAN HENGSHUI STEEL SHEET CO, JIANGSU DAJIANG METAL-SUNSHINE GROUP, JIANGSU TON YI-LINA-CHUAN TP, LANGFANG FUXIN TINPLATE, Randa Metal Product, SHAGANG GROUP SHOUGANG I&S, THREE GORGES QUANTONG COATED & GALVANIZED PLATE CO, WUHAN IRON & STEEL CO, Wuxi Xindazhong Steel Sheet Co., Ltd., ZHANGIAGANG GANXING BUILDING MATERIALS, Zhongshan Zhongyue Tinplate Industrial Co. Ltd., ZHONGYUE POSCO, (ZYPOSCO), Pelliconi, Crown Packaging Europe, Sidermec and Guangnan Holdings. The Exporting Producers in Brazil are Companhia Siderúrgica Nacional and Crown Packaging Europe.