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►**B** **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 L 67, 15.3.2011, p. 1)

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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

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Council Regulation (EC) No 1225/2009 of 30 November 2009 on protection against dumped imports from countries not members of the European Community ([1]) (the basic Regulation) and in particular Article 9(4) thereof,

Having regard to the proposal submitted by the European Commission (the Commission) after having consulted the Advisory Committee,

Whereas:

A. PROVISIONAL MEASURES

(1) The Commission, by Regulation (EU) No 812/2010 ([2]) (the provisional Regulation) imposed a provisional anti-dumping duty on imports of certain continuous filament glass fibre products originating in the People's Republic of China (PRC).

(2) The proceeding was initiated as a result of a complaint lodged on 3 November 2009 (the complaint) by the European Glass Fibre Producers Association (APFE, now renamed 'GlassFibreEurope') (the complainant) on behalf of producers representing a major proportion, in this case more than 50 % of the total Union production of certain continuous filament glass fibre products.

(3) It is recalled that, as set out in recital 14 of the provisional Regulation, the investigation of dumping and injury covered the period from 1 October 2008 to 30 September 2009 ('the investigation period' or 'IP'). The examination of trends relevant for the assessment of injury covered the period from 1 January 2006 to the end of the IP (the period considered).

B. SUBSEQUENT PROCEDURE

(4) Subsequent to the disclosure of the essential facts and considerations on the basis of which it was decided to impose provisional measures (provisional disclosure), several interested parties made written submissions making known their views on the provisional findings. The parties who so requested were granted the opportunity to be heard.

([1]) OJ L 343, 22.12.2009, p. 51.
([2]) OJ L 243, 16.9.2010, p. 40.

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(5) The Commission continued to seek information it deemed necessary for its definitive findings. In addition to the verifications mentioned in recital 11 of the provisional Regulation, a further verification was carried out at the premises of Saertex in Saerbeck, Germany, one of the users of glass fibres which had cooperated by replying to a users' questionnaire.

(6) All parties were informed of the essential facts and considerations on the basis of which it was intended to recommend the imposition of a definitive anti-dumping duty on imports of certain continuous filament glass fibre products originating in the PRC and the definitive collection of the amounts secured by way of the provisional duty, as revised in accordance with this Regulation (final disclosure). They were also granted a period of time within which they could make representations subsequent to this disclosure.

(7) The oral and written comments submitted by the interested parties were considered and taken into account where appropriate.

1. **Scope of investigation: imports originating in Malaysia, Taiwan and Turkey**

(8) One exporting producer claimed that imports of certain continuous filament glass fibre products originating in Malaysia, Taiwan and Turkey should have been included in the scope of the present investigation. It argued that the exclusion of these countries was discriminatory as, according to the provisional findings, the volume of imports from these three countries would not be negligible and there would be prima facie evidence of undercutting.

(9) In this respect, it should first be noted that at initiation stage, there was no prima facie evidence of dumping, injury and causal link, as required pursuant to Article 5(2) of the basic Regulation, which would justify the initiation of an anti-dumping proceeding on imports from these countries. On the contrary, as concerns import volumes, the complainants submitted information that imports and market shares from other countries had decreased since 2004.

(10) As concerns Malaysia, Taiwan and Turkey, the analysis at the provisional stage confirmed that imports from both Taiwan and Turkey decreased over the period considered (from 2,0 % to 1,5 % and from 2,9 % to 2,5 % respectively) whereas imports from Malaysia increased slightly, from 1,0 % to 1,7 %. Although these import levels are above the *de minimis* import levels required pursuant to Article 5(7) of the basic Regulation, other requirements for including these countries in the investigation were not satisfied. In particular, no information has been received that would point at dumping from either one of these countries. The claim for the inclusion of Malaysia, Taiwan and Turkey is therefore rejected.

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C. **PRODUCT CONCERNED AND THE LIKE PRODUCT**

1. **Product concerned**

(11) It is recalled that, as set out in recital 15 of the provisional Regulation, the product concerned as described in the Notice of initiation is chopped glass fibre strands, of a length of not more than 50 mm; glass fibre rovings; slivers and yarns of glass fibre filaments; and mats made of glass fibre filaments excluding mats of glass wool and currently falling within CN codes 7019 11 00, 7019 12 00, 7019 19 10 and ex 7019 31 00 (the product concerned).

(12) In addition, as set out in recital 19 of the provisional Regulation, it was decided to provisionally treat yarns as forming part of the product concerned although this was subject to further investigation and consideration at the definitive stage.

1.1. *Yarns*

(13) Following the disclosure of provisional measures, the claim for exclusion of yarns was further investigated. In this respect it is recalled that a large number of submissions claiming that yarns should be excluded had been received prior to the imposition of provisional measures (see recitals 18 and 19 of the provisional Regulation). In addition, after the imposition of provisional measures, a substantive amount of additional and more detailed information was received from interested parties. All these comments were analysed in detail as explained below.

(14) Several interested parties claimed that yarns should be distinguished from the other three basic product types mentioned in recital 17 of the provisional Regulation because: (i) yarns would have different physical and chemical characteristics, (ii) the production process of yarns and of the other three basic product types would be different, and (iii) yarns would be used for different purposes.

(15) As concerns the arguments (i) and (ii), evidence was submitted that pointed to distinctive features of rovings, chopped strands and mats at the one side, and yarns at the other side. More specifically, the information indicated that mats and chopped strands are typically made from rovings and not from yarns. After final disclosure, the Union industry contested this separation, claiming that some speciality chopped strands would in fact be made of yarns. However, the existence of some specialty chopped strands made from yarns does not imply that yarns should be considered as falling within the definition of the product concerned (see also recital 20 below).

(16) With regard to the first claim concerning the differences in basic chemical and physical characteristics, a study of a leading research institute was submitted by an interested party. This study compared, inter alia, the physical and chemical characteristics of rovings and yarns. After final disclosure, some reservations were made as to the findings of this comparison which

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in turn provoked some important comments from certain users of yarns. From this information it can be concluded that an essential chemical component of rovings, mats and chopped strands is 'silane', a chemical coupling agent facilitating the absorption of resin for matrixes. Yarns are usually not made with such chemical agent but rather with a starch oil based chemical substance (size) which is added as a lubricant and protective agent in order for the yarn to withstand the rigours of high-speed weaving. In contrast to the rovings, where the coupling agent helps to absorb resin, 'size' repels resin. As concerns the basic chemical characteristics, it was also established that the glass raw material for yarns has a more stable composition and higher uniformity of particle size than the raw material for the other product types.

(17) From the point of view of physical characteristics, yarns appear not to share the same basic physical characteristics as the other product types. Firstly, it is generally acknowledged that yarns are in general a finer material with a much lower fibre diameter and linear density than rovings. Secondly, yarns are the only product type which is twisted (though zero twist yarns also exist).

(18) With regard to the second claim concerning the differences in the production process, although all parties acknowledge that the four basic product types are manufactured from molten glass containing silica sand, soda ash, limestone, kaolin and dolomite, which is drawn through a multi-hole heat resistant platinum-rhodium trays (bushings), there are certain important differences in the production process of yarns as compared to the other products under investigation. Firstly, for the production of yarns, higher precision and stable temperature control as well as energy input are required, with more strict controlling parameters applied (bushing output, etc.). As the holes in the bushings are smaller, the production output is substantially lower in comparison to the other products. Therefore, furnaces are usually used for producing either yarns or rovings — indeed, for economic reasons glass fibres producers do not alternate in the production of these two products on the same furnace. Another difference in the production process is that, subsequent to the bushing process, yarns go through the process of twisting.

(19) With regard to the argument (iii) concerning the differences in the applications, it was found that the different chemical characteristics of yarns as compared to rovings, chopped strands and mats are linked to the different uses of yarns. Although it had provisionally been concluded that 'almost all the different types of the product concerned (…) are basically used for the same purposes', based on the comments received after provisional

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disclosure this issue was further investigated and it was established that, whereas rovings, chopped strands and mats were used to reinforce plastics in composites, yarns were primarily used in the production of much lighter weight engineered materials for technical fabric applications such as high performance insulation, protection and filtration applications. In some cases, yarns might also be suitable for reinforcing purposes, but this would be in a very limited number of instances only and even then, in view of the relatively very high cost price of yarns as compared to rovings, very often unlikely for economic reasons.

(20) In view of the above differences, it is not surprising that the market also perceives yarns as different from the other three products. Indeed, a market report published in an independent magazine specialised in composite products was submitted by both users and the Union industry. This report, which was in no way related to this anti-dumping proceeding, firstly explained that, for reasons of production and uses, a distinction should be made between yarns and rovings. It then analysed in detail the global glass fibre production capacity for the two groups: (i) rovings, chopped strands and mats altogether; and (ii) yarns ([1]).

(21) As concerns the potential substitutability of yarns with the other basic product types, it should be noted that, as already stated in recital 19 of the provisional Regulation, this would in theory be possible as yarns could be used in a limited number of applications instead of other types. However, following further analysis the Commission found that in practice this would not at all be an economically viable option due to the substantial cost difference in the cost of manufacturing yarns compared to that of other products, which can be explained by the differences of the production process mentioned in recital 18 above.

(22) In the complaint on the basis of which this investigation was initiated, it was explicitly mentioned that the product concerned has one unique function and thus purpose or use, namely the reinforcement of plastics in composites. However, the above analysis established that differences in the production process of yarns as compared to rovings (and chopped strands and mats) resulted in fundamental different basic physical and chemical characteristics, in view of different applications of yarns including several uses other than composite material. The comments received in this respect after final disclosure were not such as to alter this conclusion.

(23) In the light of above, the claim to exclude yarns on the basis of different physical and chemical characteristics and different uses as compared to rovings, chopped strands and mats, is hereby accepted. It is thus concluded that yarns should be excluded from the definition of the product concerned as defined in the provisional Regulation. Yarns are therefore definitively excluded from the proceeding.

([1]) JEC Composites Magazine, No 58 June-July 2010, p. 14.

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(24) It should also be noted that a claim on exclusion of thin yarns was submitted by an interested party, but this has no more relevance in view of the exclusion of all yarns from the product scope.

1.2. *Texturised rovings*

(25) One interested party claimed the exclusion of texturised rovings. This claim was based on the argumentation that texturised rovings should be treated according to the same principle as impregnated rovings, because the product is no longer a roving but a more downstream product.

(26) In this respect it is important to repeat the reason for excluding certain impregnated rovings. Indeed, certain rovings and yarns were excluded since these types were specially treated by coating and impregnating and they have a loss of ignition of more than 3 %, giving them different physical and chemical characteristics.

(27) As concerns texturised rovings, it is understood that these are rovings that are not coated or impregnated and which have a loss of ignition value of between 0,3 % and 0,13 %. They are therefore clearly different products as compared to the impregnated rovings which were excluded at the provisional stage. Secondly, it was found that, like the other rovings, chopped strands and mats, texturised rovings are primarily used for reinforcing plastics in composites. They are therefore clearly covered by the product scope definition, in the complaint as well as in the notice initiating this proceeding, and no grounds appear to exist which would justify their exclusion.

(28) It is therefore concluded that texturised rovings fall clearly and indisputably within the product scope of this proceeding and the claim to exclude them from that scope has no sufficient factual basis and has to be rejected.

1.3. *Conclusion*

(29) As concerns product scope, no further claims have been submitted.

(30) In view of the above, it was deemed appropriate to revise the product scope definition as determined in the provisional Regulation. Therefore, the product concerned is definitively defined as chopped glass fibre strands, of a length of not more than 50 mm; glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887); and mats made of glass fibre filaments excluding mats of glass wool.

2. **Like product**

(31) In the absence of any related claim or comment and taking into account the findings set out in recitals 13 to 23 above, the conclusions in recital 20 of the provisional Regulation are hereby confirmed.

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D. **DUMPING**

1. **Market economy treatment (MET)**

(32) Following the publication of the provisional measures, one exporting producer/group that was not granted MET reiterated its disagreement with the rejection of its MET claim. However, the exporting producer/group in question merely repeated the claims made earlier in the proceeding without presenting any new arguments. It is recalled that, as explained in the provisional Regulation, those arguments were already addressed in detail in individual communication with the exporting producer/group in question.

(33) In addition, following final disclosure, the exporting producer/group in question alleged that the Commission overlooked new evidence that it had submitted. It is noted in this regard that the evidence referred to was only a submission of some documents supporting the argument already raised and replied to concerning the composition of the company's board of directors. Thus, no new evidence was presented that would put in question the decision to refuse the MET claim of the exporting producer/group in question.

(34) Consequently, the provisional findings with respect to the MET claim of the exporting producer/group in question are definitively confirmed.

(35) In the absence of any other comments, the content of recitals 21 to 29 of the provisional Regulation concerning MET findings is hereby definitively confirmed.

2. **Individual treatment (IT)**

(36) Further to provisional disclosure the same exporting producer/group that commented on the decision regarding its MET disagreed with the rejection of its IT claim. It alleged that the Commission failed to provide sufficient reasoning for the rejection of its IT claim.

(37) It is reiterated in this regard that, as stated in recital 26 of the provisional Regulation, under the MET analysis part, the majority of the directors on this company's Board of Directors were appointed by a majority State owned company. Consequently significant State interference in the decision-making process of this exporting producer could not be excluded.

(38) Consequently, it was confirmed for this exporting producer that, given that it failed to demonstrate that it was sufficiently independent from the State, it did not fulfil the criteria of Article 9(5) of the basic Regulation and that thus its claim for the IT must be rejected.

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(39) Following final disclosure, the above exporting producer and the other exporting producers not granted IT argued that the decision to reject their IT was not in accordance with the WTO Panel Report in dispute DS 397 concerning Definitive Anti-Dumping Measures on Certain Iron or Steel Fasteners from the Peoples' Republic of China. In this respect, it should be noted that the above-mentioned Panel Report is not yet final since it has not been adopted by the Dispute Settlement Body. Moreover, the time period for appeal against that Panel Report has not lapsed. This claim was therefore rejected.

(40) Consequently and in the absence of any other comments concerning IT, the content of recitals 30 to 33 of the provisional Regulation is hereby definitively confirmed and it is definitely concluded that IT should not be granted to any of the sampled exporting producers/groups, which were denied MET.

3. **Normal value**

3.1. *Determination of the normal value for the exporting producer/group granted MET*

(41) Following the provisional disclosure, the exporting producer/group granted MET submitted that for the product types which were not sold in representative quantities on the domestic market (or not sold at all), the normal value of the like product should be calculated on the basis of constructed normal value and not as the Commission did at the provisional stage — i.e. using for normal value representative domestic prices of closely resembling types (duly adjusted).

(42) The claim was accepted and consequently the normal value for the non-representative types (i.e. those of which domestic sales constituted less than 5 % of export sales to the Union or were not sold at all in the domestic market) was calculated on the basis of the cost of manufacturing per product type plus an amount for selling, general and administrative costs and for profits. In case of existing domestic sales, the profit of all transactions on the domestic market per product type for the product types concerned was used (since all domestic sales transactions of these product types were found profitable the test of Article 2(4) of the basic Regulation was clearly complied with). In case of no domestic sales, an average profit was used. For one product type, for which no cost of manufacturing was provided, constructed normal value of a closely resembling type was used.

(43) For the remaining product types it was subsequently examined whether each type of the product concerned sold domestically in representative quantities could be considered as being sold in the

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ordinary course of trade pursuant to Article 2(4) of the basic Regulation and as described in recitals 37 to 40 of the provisional Regulation.

(44) The further investigation established that the profitable sales of only few comparable product types were more than 80 % of total domestic sales and, thus, all domestic sales could be used in calculating the average price for normal value for these product types. For the remaining types only the profitable sales were used.

(45) Further to the final disclosure, the exporting producer/group granted MET argued that the methodology used for constructing normal value of non-representative product types as described in recital 42 above; i.e. using the profit of profitable transactions of the product types in question would be contrary to the letter of Article 2(6) of the basic Regulation. It further argued that it has been a standard practice to use an average profit of all profitable transactions of all product types when constructing normal value for a particular product type and that any change to that practice would infringe the principle of legal certainty.

(46) It should be noted that the methodology described in recital 42 is in accordance with Article 2(6) of the basic Regulation following which the amounts for profits should be based on actual data pertaining to sales, in the ordinary course of trade, of the like product by the exporter or producer. The use of the words 'of the like product' does not exclude the division of the product investigated into product types where appropriate. Moreover, the applicable WTO case law ([1]), provides that the actual profit margin established for the transactions in the ordinary course of trade of the relevant product types for which normal value has to be constructed cannot be disregarded. It is also noted that the exporting producer/group has not demonstrated that the transactions of the product types for which normal value had to be constructed should be considered as not being in the ordinary course of trade. Finally, it should be noted that the methodology described above is even-handed. Indeed, in cases where the profit margin of the sales in the ordinary course of trade of the product type in question is lower than the weighted average profit of all product types sales in the ordinary course of trade, it is the lower profit margin of the product type concerned that would be used for the construction of the normal value. The claim is therefore rejected.

([1]) WTO Panel Report in dispute: WT/DS337/R of 16 November 2007 (EU Salmon).

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3.2. *Determination of normal value for exporting producers/ groups not granted MET*

(a) Analogue country

(47) Following the provisional disclosure, one interested party commented that Turkey should not be used as an analogue country and suggested to use Malaysia in this regard. This comment was not further substantiated and consequently was not taken into account.

(48) It is noted that following the exclusion of yarns from the product scope of the investigation (see above) the fact that yarns are not produced in Turkey no longer creates any obstacle for the choice of Turkey as analogue country since there will be no need for construction of a normal value of any of the investigated product types (see also recitals 50 and 51 below).

(49) Given the above it is definitively concluded that Turkey should be used as analogue country in this proceeding.

(b) Determination of normal value

(50) Following the provisional disclosure one party argued that the normal value of the like product in Turkey may not be accurate, as the cost structure of the Turkish cooperating company is distorted. Indeed, the investigation established that the cooperating company in Turkey had significant financial costs that may be distorting the calculation of the normal value, in particular when it is constructed.

(51) Consequently, in order to avoid any possible distortion in the calculation, it was decided to group the product types and to distinguish only the main product characteristics. This grouping increased comparability in terms of sales volumes between the product concerned and the Turkish like product and allowed using actual prices as opposed to constructed normal value where selling, general and administrative costs (potentially distorted by the financial costs) would have to be used.

4. **Export price and price comparison**

(52) In the absence of any comments, the content of recitals 48 to 50 of the provisional Regulation concerning the establishing of export price and comparing the export prices with the respective normal value is hereby definitively confirmed.

5. **Dumping margins**

(53) In the absence of any comments, the content of recitals 51 to 54 of the provisional Regulation concerning the general methodology for calculating dumping margins is hereby definitively confirmed.

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(54) In the light of the above mentioned changes in the calculation of the normal values, and after correction of some calculation errors, the amount of dumping finally determined, expressed as a percentage of the CIF net free-at-Union-frontier price, before duty, is as follows:

Table 1

Dumping margins	
Changzhou New Changhai Fiberglass Co., Ltd and Jiangsu Changhai Composite Materials Holding Co., Ltd, Tangqiao, Yaoguan Town, Changzhou City, Jiangsu	9,6 %
Other cooperating companies	29,7 %

E. **INJURY**

(55) It should be noted that, following the exclusion of yarns from the product scope (see recitals 13 to 23 above), the injury analysis had to be adapted to the remaining three main product types: rovings, chopped strands and mats. This necessitated revisions of some injury indicators, the volume of dumped imports as well as the calculation of price undercutting and the injury elimination level.

1. **Union industry**

(56) With regard to the definition of the Union industry and the representativity of the sample of Union producers, no new comments or claims have been received. In view of this, and the fact that the product type excluded from the product scope, i.e. yarns, represented a limited proportion of production and sales of the Union producers, the conclusions in recitals 56 to 58 of the provisional Regulation are hereby confirmed.

2. **Union consumption**

(57) In respect of the Union consumption, it should be noted that, as mentioned in recital 55 above, the exclusion of one of the four main product types i.e. yarns from the product scope resulted in a revision of the volumes of Union consumption.

(58) In view of the above revision, the total Union consumption has developed as follows during the period considered:

Table 2

Union consumption				
	2006	2007	2008	IP
Units (tonnes)	903 351	944 137	937 373	697 128
Indexed	100	105	104	77

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(59) The above consumption trend is similar to the trend observed for the product under investigation as defined in the provisional Regulation, i.e. an increase by ca. 5 % in 2007-2008 and then a very significant drop, by 23 % in the IP as compared to 2006.

3. **Imports from the country concerned**

(60) In view of the exclusion of yarns from the product scope, the import data had to be revised.

(61) One interested party argued that the imports from the PRC coming from producers related to the Union industry should have been excluded from the imports concerned.

(62) In this regard it is first recalled that, as already mentioned in recital 58 of the provisional Regulation, during the IP the volume of imports from the PRC of the sampled producers only represented less than 4 % of total Chinese imports. This remains unchanged following the exclusion of yarns from the product scope.

(63) Given that only two Union producers have imported the product concerned from the PRC during the IP, the exact volume of these imports cannot be disclosed for reasons of confidentiality. In any event, even if the amount of these imports were deducted for each year of the period considered, the trend of import volumes and market shares would remain substantially unchanged. The market share of dumped imports would be lower, though only by less than one percentage point in each year of the period considered, thereby not affecting the overall trend during the period considered.

(64) Following the exclusion of yarns, the revised import data are as follows:

(a) Volumes

Table 3

Imports from the PRC (volumes)				
	2006	2007	2008	IP
Units (tonnes)	71 061	110 641	132 023	98 723
Indexed	100	156	186	139

(b) Market share

Table 4

Imports from the PRC (market share)				
	2006	2007	2008	IP
Market share (%)	7,9 %	11,7 %	14,1 %	14,2 %
Indexed	100	149	179	180

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(65) After these changes, the trends observed at the provisional stage concerning import volumes of the product concerned have changed to a limited extent. However, the increase in volume of imports both in absolute and relative terms remains substantial. Such imports increased very rapidly during the period considered, notably between 2006 and 2008 (by 86 %), after which there was a drop in Chinese imports due to the overall decline in demand. However, the market share of these imports continued to increase between 2008 and the IP and it increased over the whole period by 6,3 percentage points.

(c) Price evolution

(66) After exclusion of yarns, the average CIF import price of the product concerned has decreased significantly (by ca. 3 %):

Table 5

Imports from the PRC (prices)				
	2006	2007	2008	IP
Average price/ tonne (EUR)	901	907	945	909
Indexed	100	101	105	101

(67) However, the above table shows that the trend of substantially stable prices during the period considered has not altered, and therefore, the conclusion regarding the price trend of these imports, as established in the provisional Regulation, can be confirmed.

(d) Price undercutting

(68) As regards the calculation of price undercutting, the provisional margins had to be revised since the exclusion of yarns from the product scope necessitated the elimination of the corresponding sales from the injury calculations.

(69) Moreover, as was done on the dumping side of the investigation (see recitals 50 and 51 above) it was decided to group the product types and to only distinguish the main product characteristics. This resulted in an increase of the volume of Chinese imports included in the comparison with the sales of the like product produced by the Union industry, thereby ensuring a better representativeness of the undercutting calculations.

(70) Finally, an adjustment for post-importation costs was applied, given that these costs are indispensable for the selling of the product concerned.

(71) Following the changes in the calculation of price undercutting due to (i) the exclusion of yarns, (ii) the grouping of product types, and (iii) adjustment for post-importation costs, the revised undercutting margins amount to up to 18,2 %, while the average price undercutting is 10,9 %. The above changes have been applied also to the calculation of the injury elimination level — see recital 134 of this Regulation.

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(72) Apart from the changes mentioned above and in the absence of any other claim or comments, the conclusions in recitals 61 to 65 of the provisional Regulation are hereby confirmed.

4. **Economic situation of the Union industry**

4.1. *Revision of injury indicators due to the exclusion of yarns*

(73) The exclusion of yarns from the product scope necessitated the adjustment of certain tables in Section D.4 of the provisional Regulation. In addition, a minor correction to the sales data of one of the sampled producers had to be made. It should be noted that there was only a relatively limited presence of yarns in the production and sales of the sampled producers. Therefore, most affected by these adjustments were the indicators on the basis of all Union producers (sales volumes and market share). To a more limited extent, average sales prices of the sampled producers were also affected. However, the trends observed, also for these indicators, remain substantially unchanged as compared to the findings in the provisional Regulation, as the below tables demonstrate. In view of the limited presence of yarns within the producers' sample, the financial indicators (profitability, return on investment (ROI), cash flow and investments) have not been affected by the exclusion of yarns from the product scope. For the sake of transparency, all tables concerning the injury indicators listed in Section D.4 of the provisional Regulation are shown below, including those unchanged.

(74) As the development in production volumes of the sampled producers, as compared to the figures provided in the provisional Regulation, was only affected to a very limited extent (a 1 % increase for 2008 and the IP) by the exclusion of yarns from the product scope, the conclusion in recital 67 of the provisional Regulation is herewith confirmed.

Table 6

Union industry — production				
Sampled producers	2006	2007	2008	IP
Units (tonnes)	488 335	503 711	498 739	310 257
Indexed	100	103	102	64

(75) The Union industry production capacity figures have overall been decreased by the exclusion of yarns, but that has had no effect on the trend and the capacity utilisation. Therefore, the conclusion in recital 69 of the provisional Regulation is herewith confirmed.

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Table 7

Union industry — production capacity				
Sampled producers	2006	2007	2008	IP
Capacity (tonnes)	567 067	567 822	580 705	506 509
Indexed	100	100	102	89
Capacity utilisation (%)	86 %	89 %	86 %	61 %
Indexed	100	103	100	71

(76) As the development of stocks of the sampled producers, as compared to the figures provided in the provisional Regulation, was only affected to a very limited extent (a 1 % increase for 2007, 2008 and the IP) by the exclusion of yarns from the product scope, the conclusion in recital 70 of the provisional Regulation is herewith confirmed.

Table 8

Union industry — stocks				
Sampled producers	2006	2007	2008	IP
Units (tonnes)	87 603	72 282	122 926	81 485
Indexed	100	83	140	93

(77) Although, as compared to the sales volumes reported in the provisional Regulation, the decrease since 2006 in sales volumes is 1 % stronger in 2007 and 2008 and 3 % less pronounced in the IP, sales volumes declined still by 27 % during the period considered and the conclusions in recitals 71-72 are, therefore, herewith confirmed.

Table 9

Union industry — EU sales (volumes)				
All EU producers	2006	2007	2008	IP
Units (tonnes)	689 541	683 861	654 956	501 519
Indexed	100	99	95	73

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(78) After the exclusion of yarns from the product scope, EU market share of the Union industry has decreased from 76,3 % to 71,9 % (as opposed to from 75,1 % to 69,5 %). The conclusions in recital 73 of the provisional Regulation regarding the market share of the Union industry are therefore confirmed.

Table 10

Union industry — EU market share				
All EU producers	2006	2007	2008	IP
EU market share (%)	76,3 %	72,4 %	69,9 %	71,9 %
Indexed	100	95	92	94

(79) As concerns average sales prices, the exclusion of yarns from the product scope resulted in overall slightly lower average sales prices. The trend is however identical to the sales price trend reported in the provisional Regulation (only 1 % higher figures for 2008 and the IP) and the conclusions in recital 74 of that Regulation are, therefore, herewith confirmed.

Table 11

Union industry — EU sales (average prices)				
Sampled producers	2006	2007	2008	IP
EUR/tonne	1 163	1 154	1 181	1 147
Indexed	100	99	102	99

(80) The employment figures of the Union producers have been adjusted to exclude the production of yarns. The relatively small reduction in numbers has left the trend unchanged (only 1 % higher figures for 2008 and the IP), therefore, the conclusions in recital 75 of the provisional Regulation are herewith confirmed.

Table 12

Union industry — employment				
Sampled producers	2006	2007	2008	IP
Number of employees	4 050	3 851	3 676	3 275
Indexed	100	95	91	81

(81) The productivity of the Union industry has not been affected by the exclusion of yarns and the conclusions in recital 76 of the provisional Regulation can therefore be confirmed.

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Table 13

Union industry — productivity				
Sampled producers	2006	2007	2008	IP
Tonnes/ employee	121	131	136	95
Indexed	100	108	113	79

(82) As already mentioned in recital 73 above, in view of the limited presence of yarns within the producers sample, the financial indicators listed below have not been affected by the exclusion of yarns from the product scope.

(83) Labour costs in the sense of yearly average wages are unaffected by the exclusion of yarns from the product scope and the conclusions in recital 77 of the provisional Regulation are therefore herewith confirmed.

Table 14

Union industry — labour costs				
Sampled producers	2006	2007	2008	IP
Yearly wages (EUR)	42 649	43 257	43 991	41 394
Indexed	100	101	103	97

(84) Profitability and ROI are unaffected by the exclusion of yarns from the product scope and the conclusions in recitals 78-81 of the provisional Regulation are therefore herewith confirmed.

Table 15

Union industry — profitability & ROI				
Sampled producers	2006	2007	2008	IP
Net profit (as % of turnover)	0,3 %	4,7 %	3,5 %	–15,0 %
ROI	2,5 %	6,2 %	3,0 %	–16,8 %

(85) The cash flow situation of the Union industry is unaffected by the exclusion of yarns from the product scope and the conclusion in recital 83 of the provisional Regulation is therefore herewith confirmed.

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Table 16

Union industry — cash flow				
Sampled producers	2006	2007	2008	IP
Cash flow (EUR)	34 261 986	17 230 139	7 452 912	–22 001 723
Indexed	100	50	22	–64

(86) The level of investments of the Union industry is unaffected by the exclusion of yarns from the product scope and the conclusions in recital 85 of the provisional Regulation are therefore herewith confirmed.

Table 17

Union industry — investments				
Sampled producers	2006	2007	2008	IP
Net investments (EUR)	40 089 991	20 804 311	43 613 463	28 387 044
Indexed	100	52	109	71

4.2. *Comments received following disclosure of provisional findings*

(87) One interested party claimed that the Commission should have analysed injury (and also causation) on a segment-specific basis, i.e. for each of the main product types separately. This party considered that the main product types were too different from each other to be analysed as a whole.

(88) It should first of all be recalled that any conclusions concerning dumping and injury can only be drawn for the product concerned and the like product as a whole. If claims exist about the definition of the product concerned, these should be analysed in that context and should not result in separate injury analysis depending on the various product types covered by the investigation. As mentioned in recitals 13 to 23 above, the product scope of this investigation has been amended at the definitive stage of the investigation by the exclusion of yarns. Any conclusion on dumping and injury can only be made on this newly defined product concerned and like product as a whole. For these reasons the above claim cannot be accepted.

(89) The same interested party argued that the data presented for the Union industry was not coherent. In particular, it considered that the Commission was wrong in sometimes providing data from the entire Union industry whereas on other occasions use had been made from the verified data from the sampled producers only.

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(90) In respect of this claim it should firstly be noted that sampling is a procedure expressly provided for under Article 17 of the basic Regulation, to deal with cases where it is not possible to investigate certain groups of economic operators in detail. The selected sample of Union producers has been considered as representative for the whole Union industry and no substantiated claims stating the contrary have been submitted by interested parties. Therefore, as already mentioned in recital 66 of the provisional Regulation, all the injury indicators, except those concerning sales volume and market share, were established on the basis of information collected from and verified at the premises of the sampled Union producers. The sales volume of the Union industry comprising all Union producers was a prerequisite for the calculation of Union consumption, and in turn both the sales volume and the Union consumption were necessary for determining the market share of the Union industry.

(91) Another interested party argued that the imports from the PRC from producers related to the sampled Union producers, as mentioned in recital 58 of the provisional Regulation, should have been added to the sales of the producers concerned.

(92) Given that the products in question are only re-sold by the Union producers concerned, the addition of these imports to their sales volume would distort the picture does not therefore appear justified. In any case, as already stated in recitals 62 and 63 above, the volume of these imports is limited. As mentioned in the same recitals above, also the market shares would be affected only to a minimal extent without altering the trends of the relating injury indicators.

(93) One interested party mentioned that the Commission had not explained why the sales for captive use had been included in the sales figures of the Union industry. It claimed that the Commission should have analysed the captive market independently from the free market.

(94) In this respect it is important to underline that sales for captive use were included in the Union industry's sales volumes and market share analysis as it was found that these sales did compete with imports. Indeed, the investigation had established that the quantities used for captive use, by the companies concerned in the Union, could in principle be substituted by purchased glass fibres, e.g. if market circumstances and/or financial considerations would trigger such a change. They have therefore been included in the Union market analysis. In any case, should captive sales be excluded from the analysis, the trends in sales would show no substantive changes.

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(95) The Union industry questioned the average Union sales prices of the Union industry as summarised in table 10 of the provisional Regulation. It suspected a calculation error and claimed that, in reality, the drop in sales prices over the period considered was more significant than the reported 2 %. In view of this allegation, the calculation of the average Union sales prices of the sampled Union producers was reviewed. The calculation was based on verified sales prices and was found to be accurate. However, in view of the exclusion of yarns from the product scope, the average sales prices had to be recalculated by excluding yarns and the revised average sales prices are reported in table 11 above.

(96) Two of the sampled producers questioned some of the adjustments made on their submitted profitability figures. The contested adjustments referred to intra-company transfers, changes in accounting and certain extraordinary elements which were considered by the Commission to unnecessarily distort the resulting profit figures. The adjustments were contested as the producers concerned considered that important costs were consequently not shown, although they had been incurred and in some cases could even be linked to the dumped imports. The adjustments which had been made on the profitability figures of the two companies were reviewed and they were found again to be justified. This claim, therefore, had to be dismissed.

(97) In the absence of any other claim or comments, and with the modifications indicated in recitals 55 to 80 above, the conclusions in recitals 66 to 86 of the provisional Regulation are hereby confirmed.

5. **Conclusion on injury**

(98) In the absence of any other claim or comments, the conclusions in recitals 87 to 89 in the provisional Regulation are hereby confirmed.

F. **CAUSATION**

1. **Effect of the dumped imports**

(99) Some parties reiterated the claim that, in view of the volume and prices of imports from the PRC, there was no causal link between the injury suffered by the Union industry and the imports concerned. In particular, it was claimed again that the average import price of these imports had remained substantially stable throughout the period considered and that the Union industry had managed to maintain profitability at levels close to the mentioned target profit during the years 2007 and 2008 when the most significant increase in Chinese import volumes occurred.

(100) A reply to these claims was already contained in recitals 94 and 95 of the provisional Regulation, which are hereby confirmed. Moreover, as already indicated in recital 107 of the provisional

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Regulation, it cannot be concluded that the causal link is broken simply on the basis of the development of a limited number of injury indicators looked at for a limited part of the period considered; on the contrary, the overall development of all injury indicators over the whole period considered should be assessed. The provisional analysis had already shown that imports of the product concerned have caused price depression on the Union market throughout the period considered and largely undercut the Union industry sales prices in the IP. The Union industry has, therefore, not been in a position to reach the necessary levels of profitability, even in periods of relatively strong demand, as in the years 2007 and 2008. The imports from the PRC have, in addition, consistently gained market share and mostly in 2007, when the EU glass fibres market grew significantly. This aggressive strategy of gaining market shares by consistently selling at prices undercutting the Union industry prices had not resulted in a serious deterioration of the Union industry profitability before the IP only because of the relatively high levels of Union consumption which mitigated the effect of the injurious dumping. However, the developments during the IP confirm that as soon as the market conditions deteriorated the material injury caused by the dumped imports displayed all its effects. The claims mentioned in recital 99 above are therefore dismissed.

2. **Effects of other factors**

(101) In view of the exclusion of yarns from the product scope, the import data had to be revised as follows:

Table 18

Imports from other countries					
Country		2006	2007	2008	IP
Norway	Volumes (tonnes)	34 945	28 834	35 396	24 980
	Market share (%)	3,9 %	3,0 %	3,8 %	3,6 %
	Av. price/tonne (EUR)	1 255	1 412	1 359	1 256
Turkey	Volumes (tonnes)	28 946	24 928	20 511	18 523
	Market share (%)	3,2 %	2,6 %	2,2 %	2,6 %
	Av. price/tonne (EUR)	1 088	1 151	1 202	1 074
USA	Volumes (tonnes)	16 757	15 821	12 145	8 726
	Market share (%)	1,8 %	1,7 %	1,3 %	1,2 %
	Av. price/tonne (EUR)	1 521	1 421	2 056	2 012
Malaysia	Volumes (tonnes)	9 541	25 569	35 118	12 601
	Market share (%)	1,1 %	2,7 %	3,7 %	1,8 %
	Av. price/tonne (EUR)	979	1 019	1 021	1 025
Taiwan	Volumes (tonnes)	9 043	9 919	8 791	6 996
	Market share (%)	1,0 %	1,0 %	0,9 %	1,0 %

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Imports from other countries					
Country		2006	2007	2008	IP
	Av. price/tonne (EUR)	928	925	928	854
India	Volumes (tonnes)	4 363	11 227	3 741	5 353
	Market share (%)	0,5 %	1,2 %	0,4 %	0,8 %
	Av. price/tonne (EUR)	1 304	1 228	1 292	1 230
Rep. of Korea	Volumes (tonnes)	6 277	4 845	13 918	5 112
	Market share (%)	0,7 %	0,5 %	1,5 %	0,7 %
	Av. price/tonne (EUR)	1 037	1 109	886	999
Japan	Volumes (tonnes)	21 142	9 498	9 949	3 710
	Market share (%)	2,3 %	1,0 %	1,1 %	0,5 %
	Av. price/tonne (EUR)	1 125	1 164	1 336	1 580
Mexico	Volumes (tonnes)	1 017	2 977	1 803	1 763
	Market share (%)	0,1 %	0,3 %	0,2 %	0,3 %
	Av. price/tonne (EUR)	364	729	977	1 033
Canada	Volumes (tonnes)	3 930	3 096	2 123	2 029
	Market share (%)	0,4 %	0,3 %	0,2 %	0,3 %
	Av. price/tonne (EUR)	1 047	1 664	1 711	1 919
Other countries	Volumes (tonnes)	6 787	12 923	6 899	7 092
	Market share (%)	0,7 %	1,4 %	0,7 %	1,0 %
	Av. price/tonne (EUR)	1 521	1 402	1 635	1 586

(102) Apart from the import volumes from the USA and Taiwan, which went down by ca. 35 % (IP) as compared to the volumes reported in table 17 of the provisional Regulation, imports from other countries appear to be influenced only to a very moderate extent by the exclusion of yarns.

(103) Several interested parties reiterated the claim that the economic crisis rather than the dumped imports had caused the injury to the Union industry — or, alternatively, that the economic crisis was the main cause of injury while imports from the PRC were at most only a second, additional factor. In this respect it was argued that there was a correlation between consumption and profitability and that the profitability only deteriorated when the demand collapsed. At the same time, it was argued, there would be no correlation between EU market share, sales prices and profitability of the Union industry, on the one hand and the EU market share and sales prices of Chinese imports on the other. It was also claimed that the Commission would not have properly assessed the injurious effects of the downturn in EU consumption and consequently acted in violation with Article 3(7) of the basic Regulation.

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(104) The first part of the above claim has extensively been dealt with in recitals 99-102 of the provisional Regulation. Indeed, the impact of the economic crisis in the injury has been examined and it is recognised in recital 101 of the provisional Regulation that the economic downturn and the contraction in demand had a negative effect on the state of the Union industry and that, as such, it has contributed to the injury suffered by the Union industry. However, this does not diminish the damaging injurious effect of the low priced and dumped Chinese imports on the Union market throughout the period considered. In other words, the economic crisis during the IP aggravated the injury to the Union industry but imports from the PRC have by all means caused the injury which is considered to be material in the sense of Article 3(6) of the basic Regulation. This claim was therefore rejected.

3. **Conclusion on causation**

(105) None of the arguments submitted by the interested parties demonstrates that the impact of factors other than dumped imports from the PRC is such as to break the causal link between the dumped imports and the injury found. In the light of the foregoing and in the absence of any other comments which had not yet been addressed, it is concluded that the dumped imports from the PRC caused material injury to the Union industry within the meaning of Article 3(6) of the basic Regulation.

(106) The conclusions on causation in the provisional Regulation, as summarised in the recitals 117-119 thereof, are hereby confirmed.

G. **UNION INTEREST**

(107) In view of parties' comments the Commission conducted further analysis of all arguments pertaining to the Union interest.

1. **Interest of the Union industry**

(108) The complainants reiterated that the imposition of anti-dumping measures was essential for the Union industry to continue to be viable and operate in the future, as the price erosion caused by dumped imports from the PRC had severely affected the sales, profitability and ability to invest of the Union industry. In the absence of any further specific comment on this point, recitals 122 to 126 of the provisional Regulation are hereby confirmed.

2. **Interest of unrelated importers in the Union**

(109) In the absence of any specific comment on this point, recitals 127 and 128 of the provisional Regulation are hereby confirmed.

3. **Interest of the users**

(110) After the imposition of provisional measures, a number of users and user associations that had not come forward at the provisional stage made themselves known and provided comments.

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(111) Many users reiterated general comments on some of the issues which were already analysed in the provisional Regulation, without providing new information in this respect or additional evidence substantiating such claims. On some other issues, however, new information was obtained and, subsequently, analysed.

(112) Several interested parties argued that the cooperation obtained from the users was not representative of the complexity of the sector and that most users were small to medium sized companies whose situation and views have been neglected in the Union interest analysis.

(113) In this respect it is firstly to be recalled that 13 users submitted a questionnaire reply and several other users submitted, in addition, comments. Moreover, several associations acting on behalf of users submitted comments. Many of these interested parties also made their views known in a hearing. After adjusting the count in view of the exclusion of yarns from the product scope, the cooperating users accounted for ca. 24 % of the imports of the product concerned. Such cooperation is considered representative.

(114) Nevertheless, it is acknowledged that most users that completed a users' questionnaire were rather large companies. The Commission is in this respect dependant on the cooperation eventually obtained. It is however considered that, through the cooperation obtained from several associations (PlasticsEurope, EuCIA, EuPC, Plastindustrien, BPF), the concerns of the small and medium sized companies were indeed voiced and they have been taken into account.

(115) A number of users and an association contested the assessment of the Commission concerning the number of people employed in the glass fibres users industry made in recital 130 of the provisional Regulation. In this respect it should be recalled that in recital 130 of the provisional Regulation the Commission estimated the total number of people working in all the downstream Union industry of companies using glass fibre products, including the manufacturing of further downstream products, at ca. 50 000 to 75 000. The above interested parties claimed that this number could reach a total of 200 000 to 250 000 people and they were requested to substantiate these estimations. Although one association, the European Boating Industry, did provide some back up figures concerning the boatbuilding industry, no conclusive evidence was submitted that would link these employment figures with the product concerned and the like product.

(116) In any event, establishing the interest of glass fibres users on such general data, which comprise the totality of people employed in all downstream levels of the Union industry including divisions of multinational companies having no relation whatsoever with glass fibre products, would seriously affect the credibility of the Union interest analysis.

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(117) It should also be recalled that, as mentioned in recital 130 of the provisional Regulation, the Commission also estimated the number of employees of glass fibres using divisions of those companies that used Chinese glass fibres during the IP, at ca. 27 000 people. This estimate was based on detailed data as submitted by the users' in their questionnaire replies specifically on the Union employment of those divisions. The estimation was made by aggregating these figures and then extrapolating them to all Chinese imports of the product concerned during the IP. The extrapolation was based on the cooperating users' share in the total Chinese imports of the product concerned during the IP.

(118) Finally in this respect it should also be noted that, following the exclusion of yarns from the product scope, the above estimation had to be revised. The revision resulted in an estimated employment of ca. 22 000 people.

3.1. *Impact of duty cost on profitability of users*

(119) Several users claimed that the Commission, in recitals 132-136 of the provisional Regulation, had underestimated the impact of the provisional anti-dumping duty on the profitability and, hence, viability of the European user industry. They claimed that the actual impact was much higher and that the provisional duty level put the existence of many of these businesses in the Union in peril.

(120) In this respect it is important to note that the economic assessment made in the provisional Regulation was based on the economic data submitted by the users cooperating in the investigation. This was in fact the only verifiable information available in this respect. Though this assessment was criticised by a large number of users, only one of them submitted additional information that could be used in order to render the analysis more precise. In any event, the party in question is a user of yarns, therefore its submission was eventually not considered in the cost impact analysis.

(121) Additional claims were made alleging that the impact on small and medium-sized users is larger than that established. However, little concrete evidence has been provided in this respect in the absence of full cooperation of such users. Indeed, the cooperating users include some multinational companies on which the effect of duties is likely to be more limited. However, in order to exclude this distorting impact in the calculation, at definitive stage the Commission established the average cost impact only for the glass- fibre- using division of the cooperating users, instead of the whole companies — see recital 123 below.

(122) Following the exclusion of yarns from the product scope, the assessment made at the provisional stage had to be revised by eliminating from the analysis the companies using yarns. In

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addition, the assessment necessitated further modifications in view of the duty levels to be applied (see recital 139 below).

(123) In view of the above revisions, the calculated impact of the duty for the user industry will be on average only around 0,5 and up to 2,3 percentage points on the profit of glass fibre using divisions of users. The impact will thus be much smaller than anticipated at the provisional stage, if significant at all, as it is unlikely that a small cost price increase as the one possibly caused by the preset duty rates cannot be passed on completely or at least in part.

(124) Indeed, as concerns the ability to pass on cost price increases, information has been obtained from the complainant on the development of the cost price of resins, another key cost for users and sometimes even representing a majority part of the cost price of composite end products. According to this submission, whereas the glass fibres sales price (cost price for users) would have remained stable for very long, the cost price of resins would have doubled in the same period. The price increase of resins would again be pronounced since the end of 2009. In spite of these very significant price increases, users have continued to buy this key raw material and to sell their end-products, remaining competitive. It is therefore likely that they have managed to pass on at least a part of the cost price increase to their customers. If such a very significant cost price increase can (partly) be passed on to customers, there is no reason why that could not be the case with an anti-dumping duty on glass fibres at the level of the injury elimination level.

(125) Some parties claimed that certain users including global groups are and/or will be moving production outside the Union which can create job losses at the Union users; besides, there can be an impact also on the customers of users, as well as on the plastics manufacturers that also supply material to glass fibre users producing composite material. However, this is a potential consequence of the imposition of duties on any intermediate product and not just on glass fibres. Downstream users may as well apply for protection in the framework of anti-dumping proceedings as it has already occurred for glass fibre mesh fabrics. In any event, any such effects as claimed would now appear very limited due to the duty levels to be applied (see recital 139 below).

(126) In view of the above, it can be concluded that none of the users which cooperated in the investigation and submitted economic data which could be examined by the Commission would risk survival, as a consequence of the cost increase caused by the proposed measures.

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3.2. *Security of supply*

(127) Several users reiterated the claim that the security of supply on the Union market was in peril and that the anti-dumping measures further aggravated this situation. They substantiated their claim with some evidence, pointing to an inability of the Union industry to secure supply of glass fibres to the user industry at the requested volumes and prices. In the same vein, the Commission's mentioning that the idle capacity in the EU was significant enough to replace the imports from the PRC was considered simplified and unjustified.

(128) The issue was further analysed. New information on production volumes, capacity utilisation and demand was also obtained from the complainant. The information thus obtained and analysed confirmed that there had indeed been a bottleneck of supply of certain products manufactured by the Union industry in the first half of 2010, due to the stock shortages following the recovery of the market after the economic crisis. In the meantime, however, and in line with the expectation in this respect mirrored in the provisional Regulation (recitals 145-149), the increase in demand appears to have stabilised and evidence was provided that the EU suppliers had significantly increased their immediately available production during 2010. Further increases in Union industry production capacity were also announced for the short and middle-long term. In addition, proof of a significant increase in production capacity in several other producing countries outside the Union was also submitted.

(129) The updated production and production capacity data for yarns were less reassuring and an independent market study also pointed at a clearly less favourable supply situation as concerns yarns. However, as yarns were excluded from the product scope, this issue is of no further relevance.

(130) Several users also claimed that some Union producers had increased considerably the prices of certain products immediately before the publication of the provisional Regulation and had started a practice of requesting an increase in prices when additional quantities were requested by users. It was also claimed that some Union producers were only willing to subscribe to short-term contracts (less than 1 year) contrary to the previous practice. Some evidence was provided of this, which was seen by users as an indication of the fact that the Union industry would not be in a position to supply the quantities requested by the market at reasonable prices.

(131) In this respect, it should be noted that, following the imposition of anti-dumping measures, some increase in prices in the Union market can be expected. It is therefore not unusual to also observe a certain increase in the prices made by Union producers. As concerns the short-term contracts, this is an issue between buyer and seller which is not necessarily linked to a temporary shortage of supply but may be explained by many other factors

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affecting the market. In any event, as already mentioned in recital 128 above, the situation with regard to glass fibres supply appears to have normalised in the course of the year 2010. For these reasons, the above claims are dismissed.

4. **Conclusion on Union interest**

(132) On the basis of the above, the conclusions in recitals 150-151 of the provisional Regulation are hereby confirmed and it is definitively concluded that, on balance, no compelling reasons exist against the imposition of definitive anti-dumping duties on imports of the product concerned originating in the PRC.

H. **DEFINITIVE MEASURES**

1. **Injury elimination level**

(133) The complainant argued that the 5 % target profit, as established at the provisional stage, was excessively low and it reiterated the view that a level between 12 % and 15 % would be more justified, in view of the fact that the glass fibres industry is highly capital intensive. It argued that such a much higher profitability level would be necessary to generate a healthy return on capital and allow for new investments. However, the above claim was not convincingly substantiated and it is therefore concluded that the 5 % profit margin established at the provisional stage should be maintained.

(134) As regards the determination of the injury elimination level, as already stated in recital 71 above, the changes in methodology that affected the calculation of price undercutting — that is, (i) the exclusion of yarns,(ii) the grouping of product types, and (iii) the adjustment for post-importation costs — were also applied in the calculation of the injury elimination level.

(135) In order to exclude yarns and to take into account the specificities of each product group (rovings, chopped strands and mats) in the injury analysis, the Commission made use of the detailed financial information submitted separately by product type by the sampled Union producers. In this respect, the separate financial data of the main product groups (rovings, chopped strands and mats) were used instead of the overall data which have been used in the provisional calculations and which included yarns (see recital 155 of the provisional Regulation). The resulting calculation better reflects the situation on the market and takes into account the revised product scope as well as the specificities of the main product types to the extent possible.

(136) The above changes resulted in a considerable revision of the provisional injury elimination levels.

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2. **Definitive measures**

(137) In the light of the foregoing, it is considered that, in accordance with Article 9 of the basic Regulation, definitive anti-dumping measures on imports of the product concerned should be imposed.

(138) As the injury elimination levels are now lower than the dumping margins established, the definitive measures should be based on the injury elimination level.

(139) On the basis of the above, the duty rate, expressed as a percentage of the CIF Union frontier price, customs duty unpaid, is as follows:

Exporting producer	Proposed anti-dumping duty (%)
Changzhou New Changhai Fiberglass Co., Ltd and Jiangsu Changhai Composite Materials Holding Co., Ltd, Tangqiao, Yaoguan Town, Changzhou City, Jiangsu	7,3
All other companies	13,8

(140) The individual company anti-dumping duty rate specified in this Regulation was established on the basis of the findings of the present investigation. Therefore, it reflects the situation found during that investigation with respect to the company concerned. This duty rate (as opposed to the country-wide duty applicable to 'all other companies') is thus exclusively applicable to imports of products originating in the country concerned and produced by the company mentioned. Imported products produced by any other company not specifically mentioned in the operative part of this Regulation with its name and address, including entities related to those specifically mentioned, cannot benefit from this rate and shall be subject to the duty rate applicable to 'all other companies'.

(141) Any claim requesting the application of this individual company anti-dumping duty rate (e.g. following a change in the name of the entity or following the setting up of new production or sales entities) should be addressed to the Commission ([1]) forthwith with all relevant information, in particular any modification in the company's activities linked to production, domestic and export sales associated with, for example, that name change or that change in the production and sales entities. If appropriate, the Regulation will then be accordingly amended by updating the reference to the company benefiting from an individual duty rate.

([1]) European Commission, Directorate-General for Trade, Directorate H, Office N105 04/092, 1049 Bruxelles/Brussel, BELGIQUE/BELGIË.

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(142) In order to ensure a proper enforcement of the anti-dumping duty, the country-wide duty level should not only apply to the non-cooperating exporting producers but also to those producers which did not have any exports to the Union during the IP.

3. **Definitive collection of provisional duties**

(143) In view of the magnitude of the dumping margin found and given the level of the injury caused to the Union industry, it is considered necessary that the amounts secured by way of provisional anti-dumping duty imposed by the provisional Regulation should be definitively collected to the extent of the amount of the definitive duties imposed. As yarns are now excluded from the product scope (see recitals 13 to 24), the amounts provisionally secured on imports of yarns should be released. As the definitive duty rates are lower than the provisional duty rates, amounts provisionally secured in excess of the definitive rate of anti-dumping duty should be released,

HAS ADOPTED THIS REGULATION:

Article 1

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1. A definitive anti-dumping duty is hereby imposed on imports of chopped glass fibre strands, of a length of not more than 50 mm; glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887); and mats made of glass fibre filaments excluding mats of glass wool, currently falling within CN codes 7019 11 00, ex 7019 12 00 (TARIC codes 7019 12 00 21, 7019 12 00 22, 7019 12 00 23, 7019 12 00 25, 7019 12 00 39) and 7019 31 00 and originating in the People's Republic of China.

2. The rate 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 manufactured by the companies listed below shall be as follows:

Company	Definitive anti-dumping duty (%)	TARIC additional code
Jushi Group Co., Ltd; Jushi Group Chengdu Co., Ltd; Jushi Group Jiujiang Co., Ltd	14,5	B990
Changzhou New Changhai Fiberglass Co., Ltd; Jiangsu Changhai Composite Materials Holding Co., Ltd; Changzhou Tianma Group Co., Ltd	0	A983
Chongqing Polycomp International Corporation	19,9	B991
Other cooperating companies listed in Annex 1	15,9	
All other companies	19,9	A999

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3. The application of the individual anti-dumping duty rates specified for the companies mentioned in paragraph 2 shall be conditional upon presentation to the customs authorities of the Member States of a valid commercial invoice, which shall conform to the requirements set out in Annex II. If no such invoice is presented, the duty applicable to 'All other companies' shall apply.

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

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Article 2

1. The amounts secured by way of provisional anti-dumping duties pursuant to Regulation (EU) No 812/2010 on imports of yarns of glass fibre filaments, excluding yarns that are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887) currently falling within CN code ex 7019 19 10 (TARIC codes 7019 19 10 61, 7019 19 10 62, 7019 19 10 63, 7019 19 10 64, 7019 19 10 65, 7019 19 10 66 and 7019 19 10 79) and originating in the People's Republic of China, shall be released.

2. Amounts secured by way of provisional anti-dumping duties pursuant to Regulation (EU) No 812/2010 on imports of chopped glass fibre strands, of a length of not more than 50 mm; glass fibre rovings, excluding glass fibre rovings which are impregnated and coated and have a loss on ignition of more than 3 % (as determined by the ISO Standard 1887); and mats made of glass fibre filaments excluding mats of glass wool currently falling within CN codes 7019 11 00, ex 7019 12 00 and ex 7019 31 00 (TARIC codes 7019 12 00 21, 7019 12 00 22, 7019 12 00 23, 7019 12 00 24, 7019 12 00 39, 7019 31 00 29 and 7019 31 00 99) and originating in the People's Republic of China, shall be definitively collected. The amounts secured in excess of the rates of the definitive anti-dumping duties shall be released.

Article 3

This Regulation shall enter into force on the day following 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.