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►**B** **COUNCIL IMPLEMENTING REGULATION (EU) No 917/2011**

of 12 September 2011

imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of ceramic tiles originating in the People's Republic of China

(OJ L 238, 15.9.2011, p. 1)

Amended by:

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►**M1**	Council Implementing Regulation (EU) No 567/2012 of 26 June 2012	L 169	11	29.6.2012
►**M2**	Commission Implementing Regulation (EU) 2015/409 of 11 March 2015	L 67	23	12.3.2015
►**M3**	Commission Implementing Regulation (EU) 2015/782 of 19 May 2015	L 124	9	20.5.2015

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COUNCIL IMPLEMENTING REGULATION (EU) No 917/2011

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imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of ceramic tiles 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,

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

Whereas:

A. PROCEDURE

1. Provisional measures

(1) The Commission, by Regulation (EU) No 258/2011 ([2]) ('the provisional Regulation'), imposed a provisional anti-dumping duty on imports of ceramic tiles originating in the People's Republic of China ('China').

(2) A corrigendum ([3]) was published on 31 May 2011 in order to correct certain typographical errors, in particular the names of certain Chinese exporting producers that were misspelled in Annex I to the provisional Regulation.

(3) Following the verification of certain claims received after the publication of the corrigendum which were found to be warranted, it was noticed that certain other names were misspelled. The correct names for all companies subject to the weighted average duty are listed in Annex I to this Regulation.

(4) It is recalled that the proceeding was initiated as a result of a complaint lodged by the European ceramic tiles manufacturer's Association (CET) ('the complainant') on behalf of producers representing a major proportion, in this case more than 30 % of the total Union production of ceramic tiles. As set out in recital 24 of the provisional Regulation, the investigation of dumping and injury covered the period from 1 April 2009 to 31 March 2010 ('investigation period' or 'IP'). With respect to the trends relevant for the injury assessment, the Commission analysed data covering the period from 1 January 2007 to the end of the IP ('period considered').

([1]) OJ L 343, 22.12.2009, p. 51.
([2]) OJ L 70, 17.3.2011, p. 5.
([3]) OJ L 143, 31.5.2011, p. 48.

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2. **Subsequent procedure**

(5) 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 and hearings with the Hearing officer were held upon request of two interested parties.

(6) The Commission continued to seek information it deemed necessary for its definitive findings.

(7) 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 ceramic tiles originating in China and the definitive collection of the amounts secured by way of the provisional duty. They were also granted a period of time within which they could make representations subsequent to this disclosure.

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

3. **Parties concerned by the proceeding**

3.1. *Sampling of Chinese exporting producers*

(9) When selecting the sample of exporting producers, an applicant 'group' of companies was included due to the fact that the combined export volume of the two producers included in the alleged group made them together the third largest exporter by volume to the Union market. These companies claimed a relationship based on Article 143(1)(b) of Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code [1] which provides that parties shall be deemed to be related if 'they are legally recognised partners in business'. The investigation subsequently revealed that these companies were not related in this sense and, as mentioned in recital 35 of the provisional Regulation, these two producers were treated as separate entities.

(10) Several exporting producers made submissions claiming that these companies should have been excluded from the sample for submitting false or misleading information. These producers further claimed that, consequently, the weighted average dumping margin should have been calculated without taking into account the two sampled companies.

(11) In this regard, it is noted that the information provided by these parties prior to the selection of the sample was considered sufficient to consider them as related and given their combined export sales volume to the Union market they were included in

[1] OJ L 253, 11.10.1993, p. 1.

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the sample. Following the on-spot verification visits at the premises of these two companies, the issue of their relationship was examined in detail. The information provided by the companies in support of their claim to be related was verified but found to be insufficient for them to be regarded as related, contrary to the companies' own view on this matter. As a result, it was concluded that these companies could not be considered to be related in the sense of Article 143(1)(b) of Regulation (EEC) No 2454/93. As the companies cooperated in the investigation, including by providing information with regard to their alleged relationship, it is considered that there are no grounds to exclude them from the sample. In these circumstances, this claim is rejected.

(12) Moreover, even assuming that selecting other companies into the sample during the investigation would have led to a considerably larger volume of exports towards the Union market during the IP being covered, it would have been difficult, within the time available, to investigate any newly selected companies. Therefore, in spite of the fact that these companies have turned out not to be related, the sample continues to comply with the criteria foreseen in the basic Regulation. Finally it is pointed out that there was no evidence that the companies deliberately alleged being related in order to be included in the sample.

(13) In the absence of any other comments, recitals 5 and 6 of the provisional Regulation are hereby confirmed.

3.2. *Sampling of Union producers*

(14) Following the imposition of the provisional measures, one party claimed that none of the Union producers supporting the complaint had provided sample responses and should therefore be regarded as not cooperating with the proceeding. This argument was maintained following final disclosure.

(15) With respect to the claim that the lack of sample responses would indicate that the Union producers supporting the complaint did not cooperate, it is recalled that CET was the legal representative of all complaining companies. As required, CET also provided on behalf of the complainants the complementary information concerning the data for the IP. As detailed in the Notice of initiation, information in view of selecting a sample was only required for companies that had not already supplied all necessary information. It follows that the complaining producers were fully cooperating since they provided all the necessary information at the complaint stage and the necessary updates as regards the IP data were provided on their behalf by their legal representative during the investigation.

(16) One interested party claimed that the division of the Union industry into different segments and the geographical coverage of the sample meant that it was not statistically valid. In this respect it is recalled that the Union ceramic tiles industry is highly fragmented with over 500 producers. It was also found that the industry was represented in all three industry segments, i.e. large, medium and small companies. In order to ensure that

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the results of large companies did not dominate the injury analysis but that the situation of the small companies, collectively accounting for the biggest share of the Union production, was properly reflected, it was considered that all segments (i.e. small, medium-sized and large companies) should be represented in the sample. Within each of the segments, the largest companies were chosen, provided that geographical representativeness could be assured.

(17) One interested party also claimed that the Commission had failed to show that the sample remained representative after the withdrawal of the Polish producer and that it was in any event insufficiently representative in terms of sales volume in the Union market.

(18) It is correct that one Polish producer decided to cease cooperation and therefore had to be excluded from the sample. However, it is not necessary for a sample to reflect the exact geographical spread and weight of the producing Member States in order to be representative. Given the fact that geographical spread is only one of the factors to take into account to ensure representativeness, such an approach would not have been administratively practicable. Rather, it is sufficient that the sample largely reflects proportions of the major manufacturing countries involved. Assessed against this criterion, it was found that the withdrawal of the Polish company did not affect the overall representativeness of the sample. On this basis, it is confirmed that the sample of Union producers was sufficiently representative within the meaning of Article 17 of the basic Regulation.

(19) As concerns the claim of the overall representativity of the sample, it is recalled that given the fact that the Union industry is highly fragmented, it is unavoidable that the companies in the sample cover a relatively small portion of the overall Union production. In any event Article 17 of the basic Regulation sets out that investigations may be limited to samples which are either statistically valid, or which constitute the largest representative volume of production, sales, or exports which can be reasonably investigated, without, however, indicating any specific quantitative threshold as to the level of such representative volume. In view of the above it is confirmed that the sample selected was representative within the meaning of Article 17 of the basic Regulation.

(20) One interested party claimed that the Commission failed to include in the sample Union producers which offer low sales prices and which are located in countries like Poland and the Czech Republic; therefore, the sample so obtained would not be representative of the Union producers' average sales prices.

(21) In response to the above claim, the Commission found that the average sales prices of the Union industry's sample were in the same range as the average sales prices in the publicly available statistics. In any event, and as explained in recital 125, the investigation has shown that even taking into consideration publicly available prices for those countries, the final findings would not change in any meaningful way.

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(22) A number of parties made comments concerning the methodology used to select the Union industry sample as compared to the selection of the sample of Chinese exporters, which was solely based on export volume.

(23) As to the different methodologies used for selecting a sample of Union producers on the one hand and Chinese exporting producers on the other hand, it should be noted that the methodologies were used according to the objectives of the sampling exercise. Concerning the Union industry, the Commission had to assess the situation of the whole industry and therefore the criteria that would ensure the most representative picture of the entire sector were chosen. As far as the Chinese exporters are concerned, it was considered appropriate to choose a sample based on the largest volume of exports of the product concerned and thus the largest exporters were sampled. It is also noted that there is no obligation in Article 17 of the basic Regulation for both samples to be selected on the basis of the same criteria. Furthermore, in this case, before finalising the sample of Chinese exporting producers, the cooperating parties in China as well as the Chinese authorities were given the opportunity to comment on the proposed sample. Comments were received with regard to the composition of the sample but not with regard to its representativity.

(24) Following the final disclosure, an importers' association claimed that Article 17 of the basic Regulation implied that samples of Union producers and of exporting producers should be made on the basis of the same criteria. Several Chinese parties continued to claim following final disclosure that there was discrimination between the treatment of Chinese exporting producers and Union producers in choosing the respective samples.

(25) In response to the claim following the final disclosure that the same criteria should be applied in the selection of the samples of Union producers and exporting producers, for the reasons outlined in recital 23, it is considered that these samples may be made on the basis of different criteria. In these circumstances, this claim is rejected.

(26) With regard to the fact that, as mentioned in recital 23, no comments were received in relation to the representativity of the sample, these parties claimed that, at the time of selecting the samples, the Chinese parties were not informed that different selection criteria were being used for the selection of the samples and so could not comment on this fact.

(27) Concerning the fact that the Chinese parties were not informed of the different criteria used in selecting the samples, it is standard practice, in line with Article 17(2) of the basic Regulation, to consult parties on the composition of proposed samples for their own category, e.g. exporting producers will only be consulted on the proposed sample of exporting producers. In these circumstances, these parties' claim regarding the inability to comment on the different selection criteria for the different samples at the time of selection of the samples is disregarded.

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(28) Following final disclosure, one interested party claimed that by taking the different segments into account for the selection of the sample, the Commission breached Article 4(1) of the basic Regulation that lays down that the analysis should be made in relation to the Union industry as a whole and not to certain groups or types of companies.

(29) The claim that the division of the sample in three segments is in breach of Article 4(1) of the basic Regulation cannot be upheld. As can be derived from recital 23, the sample selected represented the whole Union industry and not only a specific group of companies, as alleged by the party concerned. Furthermore, Article 17(1) of the basic Regulation specifically allows for the selection of a sample in order to determine injury. This claim was therefore unfounded and rejected.

(30) Following final disclosure, the same interested party challenged the fact that the geographical spread had been taken into account for the selection of the sample, arguing that the Union is a single market and that Article 17(1) of the basic Regulation can only allow for a sample to be selected based on the largest representative volume.

(31) As for the claim on the use of the criterion of geographical spread, it is observed that this is a fragmented industry and in order to assess representativeness of the selected companies, the producers' geographical spread amongst Member States is used to reflect the different situations that can be encountered in the Union. The sample covers Member States where approximately 90 % of the Union production is manufactured; after the withdrawal of the Polish company, this level remained high at approximately 80 %. Thus, the methodology applied by the Commission ensured that the sample was representative of the Union production as a whole and complied with Article 17(1) of the basic Regulation. Therefore, the claim was rejected.

(32) Following final disclosure, one interested party claimed that only small and medium-sized companies were selected in the sample of Union producers which allegedly had higher costs and prices than the large Chinese companies.

(33) This argument was not supported by any evidence. It is noted that the sample included companies from all segments. Furthermore, other factors beyond the size of the company may have an impact on costs, such as raw material costs, depreciation or capacity utilisation.

4. **Rights of parties**

4.1. *Confidentiality of the name of the complainants and companies supporting the complaint*

(34) One interested party claimed that the lack of information regarding the identity of the complainant did not allow interested parties to exercise their rights of defence fully. It was also argued that since some producers had not requested to have their name withheld, the request for anonymity was not justified.

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(35) One party reiterated its claim that there had not been grounds to allow for confidentiality as concerned the names of most of the complaining producers as well as supporters of the complaint. In particular it was claimed that no evidence in support of the confidentiality requests had been included in the file open for inspection by interested parties. It was further claimed that not knowing the identity of the sampled companies meant that other interested parties were unable to comment on the correctness of the assessment of the micro indicators.

(36) In response to the final disclosure, the same party questioned whether all related companies of the sampled producers had submitted a questionnaire response.

(37) It is recalled that Article 19 of the basic Regulation allows for the protection of confidential information in circumstances where disclosure would be of significant competitive advantage to a competitor or would have a significantly adverse effect upon a person supplying the information or upon a person from whom that person has acquired the information. A vast majority of the complainants wanted their identity to remain confidential and provided sufficient evidence showing that there indeed was a significant possibility of retaliation, inter alia, in the form of lost sales for these producers should their names be disclosed. The request of these companies was consequently accepted by the Commission services.

(38) Regarding the claim that some producers had not requested the confidential treatment of their name, it should be noted that this fact does not prejudge the right of other companies to ask for this treatment when sufficient reasons are shown. The assessment for such requests was done on a case-by-case basis and therefore the claim is rejected.

(39) As to whether all related companies of the sampled Union producers had submitted a questionnaire reply, it should be noted that as a matter of principle the lack of response from a related Union producer as such would not necessarily prevent the Commission from reaching reliable conclusions on injury provided that the questionnaire responses that are submitted can be verified. This would be the case in particular where the related companies are separate legal entities with separate accounting.

5. **Scope of investigation. Inclusion of imports from Turkey**

(40) One party representing the interests of exporting producers claimed that imports of the product concerned from Turkey should have been included in the scope of this investigation.

(41) Concerning the non-inclusion in the complaint of imports originating in Turkey, it should be noted that at initiation stage, there was no evidence of dumping, injury and causal link from this country to justify the initiation of an anti-dumping proceeding on such imports. The claim that Turkey should have been included in the scope of the investigation is therefore rejected.

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B. **PRODUCT CONCERNED AND THE LIKE PRODUCT**

(42) Following the imposition of the provisional measures, one interested party indicated that there had been changes in the CN codes covering the product concerned contained in the Regulation imposing provisional measures as compared to those of the notice of initiation and enquired concerning the reasons for these differences and whether they entailed a change in product scope.

(43) In this context it is underlined that the differences between the CN codes indicated in the Regulation imposing provisional measures and those mentioned in the notice of initiation are not linked to a change of the product definition or the scope of the investigation. The amendments do not change the types of tiles covered but relate simply to the need to take account of the general changes to the Combined Nomenclature, as provided for by Commission Regulation (EU) No 861/2010, which became applicable on 1 January 2011 ([1]).

(44) An interested party asked that certain ceramic mosaics be excluded from the product scope. The party alleged that, should measures be imposed, this category of product concerned would lose competitiveness against other products with which it is substitutable and that, in any event, dumping is not taking place in this particular segment.

(45) Concerning this claim, the investigation revealed that since ceramic mosaics and other types of ceramic tiles have the same basic physical and technical characteristics, a revision of the product scope is not warranted. As for the absence of dumping in this segment, which was not supported by any evidence, the analysis of dumping and injury has to mirror the situation for the entire product concerned. In these circumstances, this claim is rejected.

(46) In view of the above and in the absence of any further comments regarding the product concerned and the like product, recitals 25 to 32 of the Regulation imposing provisional measures are hereby confirmed.

C. **DUMPING**

1. **Market Economy Treatment (MET)**

(47) In the absence of any further comments or findings regarding Market Economy Treatment, the conclusions set out in recitals 33 to 40 of the provisional Regulation are hereby confirmed.

2. **Individual Treatment ('IT')**

(48) No comments were received with regards to the decision on granting or denying IT to individual companies.

(49) However, two importers questioned the validity as a whole of the Commission's IT analysis, claiming that the Union annually distributes subsidies by way of the Structural Funds scheme.

([1]) OJ L 284, 29.10.2010, p. 1.

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(50) In this regard, it is noted that Article 9(5) of the basic Regulation sets out the conditions to be met in order to benefit from IT status. The alleged existence of subsidisation in the Union is irrelevant for the purposes of that examination. Therefore, this claim is rejected and the conclusions as set out in recitals 41 to 44 of the provisional Regulation are maintained.

3. **Individual Examination ('IE')**

(51) Claims for IE were submitted by eight cooperating exporting producers pursuant to Article 17(3) of the basic Regulation. It was decided to carry out IE for one exporting producer, Kito Group, as it was not unduly burdensome to do so. This group represented by far the largest export volume of the eight producers claiming IE.

(52) This group claimed IT. After examination of this claim, it was initially proposed to grant IT to the Kito Group as no reasons were found as to why this group should not have IT.

(53) Following final disclosure, the complainant argued that Article 17(3) of the basic Regulation did not appear to allow for a limited number of requests for IE to be made in situations where numerous requests had been received. The complainant claimed that this view was supported by numerous previous anti-dumping investigations. In this regard, it is noted that the benchmark in Article 17(3) of the basic Regulation for examining requests for IE is whether these examinations would be unduly burdensome and would prevent the completion of the investigation in good time. In the investigation at hand and as mentioned in recital 51, to examine one of the eight claims for IE was not unduly burdensome. Concerning previous investigations where claims for IE were addressed, it is noted that the extent of the burdensome nature of such requests and the need for the timely completion of an investigation must be assessed on a case-by-case basis. In light of the above, the complainant's claims are rejected.

(54) Following final disclosure, information and evidence were received that the Kito Group may not have disclosed all related companies of the group with the result that the findings for the group may be incomplete. The group was given the opportunity to comment on this information and was informed that Article 18 of the basic Regulation may have to be applied. In reply, they confirmed that indeed they did not disclose two related companies in their reply to the anti-dumping questionnaire but argued that, as it was a mere oversight without consequence since they were not involved in the production and/or commercialisation of the product concerned, it should have no bearing on the findings. However, the fact that the existence of these two companies was not disclosed did not allow a proper assessment and verification of the group's activities in relation to the product concerned. In these circumstances, it is concluded that the group did not provide the necessary information within the appropriate time limits and consequently the findings for the company are made on the basis of facts available in accordance with Article 18 of the basic Regulation.

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4. **Normal value**

4.1. *Choice of the analogue country*

(55) Two importers submitted comments against the choice of the United States of America ('USA') as analogue country, claiming that the USA is inappropriate as analogue country due to its insignificant own production, and its lack of competitiveness in the world market. They further claimed that the USA was selected in an unreasonable manner, claiming that the lack of alternative analogue countries was caused by undue pressure by the Union producers' association on producers from other possible analogue countries in order to discourage their possible cooperation. Two importers argued that information from a number of possible cooperating countries was disregarded by the Commission and that publicly available data from national or transnational associations of producers in third countries was not considered.

(56) To take the last argument first, it is recalled that company-specific information is required in order to carry out the investigation of the level of dumping. Therefore this argument was rejected.

(57) Regarding the allegations of undue pressure by the Union producers' association in order to discourage cooperation, it is noted that no evidence was provided. Therefore these comments had to be disregarded.

(58) These importers further claimed that the annual production volume of ceramic tiles in the USA was approximately 60 million m^2 per year, and not 600 million m^2 as stated in recital 51 of the provisional Regulation. This was verified and found to be correct.

(59) With regard to the suitability of the USA as analogue country in light of the significantly lower level of production, it should be emphasised that the US market is highly competitive – there are several local production companies and import quantities are significant. Furthermore, as mentioned in recital 52 of the provisional Regulation, there is no evidence of any non-tariff barriers that would be a substantial hindrance to competition on the market. In these circumstances, despite the lower production volume, the overall conclusion that the USA is an appropriate analogue country remains unchanged.

(60) Two importers argued that unit sales prices of US produced tiles in the US domestic market were much higher than in the Union market and, when compared to export prices, give rise to the existence of dumping practices. This argument was found to be irrelevant for the purpose of this proceeding, since any such allegations, assuming that there would be prima facie evidence for them, could only be thoroughly examined in a separate anti-dumping proceeding relating to the USA. It was therefore disregarded.

(61) These importers further claimed that the US cooperating producer was owned by, or affiliated with, Union producers, and thus the investigation was flawed as data obtained were not independent.

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(62) It is recalled that the data submitted by the US cooperating producer was verified on spot. Therefore this claim was found to be irrelevant and was disregarded.

(63) These importers further claimed that US export volumes were limited. This argument was considered to be irrelevant to the selection of the analogue country, since the analogue country data are used to determine normal value and not export prices. It was therefore rejected.

(64) Finally these same importers claimed that maintaining confidentiality over the identity, volume, value and quality of the output of the cooperating analogue producer was not justified. It is recalled that the cooperating analogue producer had requested confidentiality for fear of commercial retaliation, and this request was found to be justified. Moreover, it cannot be excluded that furnishing any of the data which the importers request, even in ranges, could lead to the identification of the analogue country producer. Therefore the importers' claim was disregarded.

(65) Following final disclosure, the abovementioned two importers repeated a number of their abovementioned claims without, however, providing any further substantiated evidence. In these circumstances, their claims remain rejected.

(66) Furthermore, these two importers also claimed that, as the cooperating US producer is allegedly controlled by a Union producer, the choice of this US company as a suitable analogue country producer is flawed. In particular, they claimed that the US company is not economically independent and so cannot serve as a benchmark for dumping. The importers cite the third and fourth paragraphs of Article 2(1) of the basic Regulation as justification for this claim. In reply to this claim, it must first of all be stated that, as mentioned in recital 23 of the provisional Regulation and in recital 69 below, the cooperating US producer has requested anonymity and this request has been granted. In these circumstances, whether a relationship exists between the US company and a Union producer cannot be confirmed or denied. However, it is noted that the abovementioned provisions of the basic Regulation concern how to treat the sales prices of a company under investigation when it sells to a related party. These provisions do not concern the matter of a possible relationship between an analogue country producer and a Union producer. In these circumstances, the claim is rejected.

(67) Following final disclosure, an importers' association made numerous claims. Firstly, they claimed that the allegedly low volume of sales of US producers on their domestic market compared to Chinese exports to the Union rendered the USA an unsuitable analogue country market. In this regard, in examining possible analogue countries, the level of competition in those countries is, inter alia, one of the elements examined. To

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have similar levels of domestic sales of the domestic industry and imports from the country under investigation is not a precondition for deeming a country to be a suitable analogue country. As regards these claims, for this investigation, and as stated in recital 59, the US market was found to be sufficiently competitive to be a suitable choice. In these circumstances, this claim is rejected.

(68) The importers' association also claimed that it did not consider that the fact that imports into the US market are significant was relevant to choosing the USA as analogue country. As regards this claim, it should be noted that the level of imports is indeed one of the important factors examined when selecting a suitable analogue country. The combination of domestic production and high volumes of imports contribute to a competitive market as mentioned in recital 59. In these circumstances, this claim is rejected.

(69) The importers' association also asked what evidence had been provided by the cooperating analogue country producer to prove the risk of commercial retaliation as mentioned in recital 64. In this regard, the US company pointed out that there are numerous Chinese exporting producers of ceramic tiles on the US market with which the US company competes for the same customers. In these circumstances, the US company stated that it feared commercial retaliation if its identity were to be revealed. Regarding the evidence provided to prove the risk of retaliation, it should be noted that the possible risk arising from the fact that the US company as well as the Chinese exporting producers active on the US market are competing for the same customers was found to be plausible. In these circumstances, the company's request for anonymity was accepted.

(70) The association also claimed that, as the average domestic sales price in the USA of the domestically produced ceramic tiles was allegedly several times higher than the price of Union imports from China, the US product is not a 'like product' to the imported product from China. In this regard, the fact that these two prices differ is not a reason to consider that the US product is not alike to the product concerned. As stated in recital 32 of the provisional Regulation, it was found that the product concerned and, inter alia, the product produced and sold on the domestic market of the USA have the same basic physical and technical characteristics as well as the same basic uses. In these circumstances they are considered to be alike within the meaning of Article 1(4) of the basic Regulation. The association's claim is therefore rejected.

(71) Finally, the association asked why the Union was not considered as an appropriate analogue country in the absence of cooperation from third countries other than the USA. In this regard, given that the USA has been found to be a suitable analogue country, as mentioned in recital 59, the need to examine possible other suitable markets did not arise. Therefore, the association's claim is rejected.

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(72) In the absence of further comments, it is confirmed that the choice of the USA as analogue country was appropriate and reasonable in accordance with Article 2(7)(a) of the basic Regulation, and recitals 45 to 54 of the provisional Regulation are hereby confirmed.

4.2. *Determination of normal value*

(73) Two importers argued that without information regarding the US producer's output in terms of volume, interested parties could not verify whether due to economies of scale, there could be significant difference in the production costs of the US producer compared to the sampled Chinese producers which produced annually more than 10 million m^2 of ceramic tiles. These importers further claimed that the production volumes of the analogue producer and of the Chinese producers were not comparable, given the lower production volume of the analogue producer or in the analogue country. It is recalled that the production volume of the cooperating analogue producer is confidential and cannot therefore be disclosed. It is also recalled that the Chinese industry is highly fragmented and mostly composed of SMEs. Therefore, these arguments were found to be unsubstantiated.

(74) These importers pointed out that since the second subparagraph of Article 2(1) of the basic Regulation required that normal value be based on the prices of 'other sellers or producers', establishing normal value on the basis of one single company's data was flawed.

(75) In this regard, it is recalled that this proceeding concerns imports from a non-market economy country where the normal value needs to be established in accordance with Article 2(7)(a) of the basic Regulation. Thus, this claim was rejected.

(76) Following final disclosure, an importers' association stated that it considered that normal value in an analogue country could not be based on data provided by one company. However, for the reasons set out in recital 75, this claim is rejected.

(77) Finally, these importers claimed that the analogue producer's product lacked representativeness since it exclusively served the high-priced segment. Because the request for confidentiality of the analogue producer was granted, this allegation is neither confirmed nor denied. In any case, even if the allegation was correct, as explained in recital 61 of the provisional Regulation, adjustments were made where warranted to the constructed normal value in order to take into account all types of tiles, including resale branding. Therefore this claim was found not to be warranted and was therefore rejected.

4.3. *Export price*

(78) Following final disclosure, one exporting producer claimed that sales of certain types of ceramic tiles to the Union in the IP had been misclassified by the Commission services and that the company's dumping margin should be corrected accordingly. In

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this regard, it was determined during the verification visit at the company's premises that the company had wrongly classified certain ceramic tiles and the company was informed thereof. These were then correctly reclassified for the purposes of making an accurate dumping calculation. In these circumstances, the company's claim is rejected.

(79) Following final disclosure, the same exporting producer claimed that certain export sales transactions to the Union in the IP had been disregarded in calculating the company's dumping margin. In this regard, it was found that these transactions had been disregarded as the invoice dates fell after the end of the IP. In these circumstances, the company's claim is rejected.

(80) In the absence of any comments with regard to export prices, recital 59 of the provisional Regulation is hereby confirmed.

4.4. *Comparison*

(81) Comments were made concerning the comparison between the normal value and the export price.

(82) One exporting producer claimed that for the calculation of its CIF value, the fact that export sales were made through unrelated traders should be taken into account. This claim was found to be warranted and subsequently the CIF values for this exporter were recalculated. Following final disclosure, the complainant claimed that this recalculation of export prices should not have been made as the information provided by the unrelated traders was not reliable given that allegedly only some of the traders through which the exporting producer sold had provided information. In this regard it was found that all unrelated traders through which the exporting producer sold had provided price information. In these circumstances, the claim is rejected.

(83) Another exporting producer claimed that the cost of insurance had not been correctly taken into account when calculating its CIF value. This claim was found to be warranted and the CIF values of this exporter were corrected accordingly.

(84) One group of exporting companies claimed that the cost of insurance included in their CIF values was wrongly calculated. This claim was found to be warranted and the CIF values were thus recalculated. In addition, it was found that for one of the companies of the group the handling cost had not been taken into account when establishing the ex-works value. This was also corrected.

(85) Two importers claimed that the calculation of the export prices should have taken into account the USD exchange rate developments during the IP. It is however recalled that, in accordance with the Commission's standard practice, monthly exchange rates were used for currency conversions during the IP. Thus exchange rate developments during the IP were indeed taken into account.

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(86) Following final disclosure, one exporting producer claimed that, as normal value was based on data from one producer in the analogue country and consequently precise data could not be disclosed for reasons of confidentiality, it was imperative to ensure that adjustments were made where appropriate to ensure product comparability for the purposes of the dumping calculations. In this regard, as mentioned in recital 61 of the provisional Regulation, adjustments were made where necessary to ensure a fair comparison between normal value and export price.

(87) Following final disclosure, two importers claimed that the cooperating US producer exclusively serves the high-priced ceramic tiles sector while the Chinese exporting producers serve the low-priced segment. In terms of ensuring a fair comparison between normal value and export price, these importers claimed that the necessary adjustments pursuant to Article 2(10) of the basic Regulation were not disclosed to them. In this regard, it is noted that recital 61 of the provisional Regulation explains the adjustments that were made to ensure a fair comparison.

4.5. *Dumping margins for cooperating sampled exporters*

(88) The definitive dumping margins for the cooperating sampled producers, taking into account all the above comments, and expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company/group name	Definitive dumping margin
Shandong Yadi Co. Ltd	36,5 %
Xinruncheng Group	29,3 %
Wonderful Group	26,3 %
Heyuan Becarry Co. Ltd	67,7 %

4.6. *Dumping margins for all other cooperating exporting producers*

(89) As a result of the changes in the calculation of the dumping margins as mentioned in recital 88, the weighted average dumping margin of the sample, which is based on the dumping margins of the four sampled cooperating exporting producers, is 30,6 %. In this context, it is noted that for Heyuan Becarry Co. Ltd, which was granted neither MET nor IT, a dumping margin was calculated in the manner described in recital 88 of the provisional Regulation. In accordance with the first sentence of Article 9(6) of the basic Regulation, this dumping margin was used for calculating the weighted average dumping margin of the parties in the sample, applied to cooperating exporters not chosen in the sample. Furthermore, since Heyuan Becarry Co. Ltd was not granted MET and it was found that its export sales decisions were subject to significant state interference, the duty to be applied to imports from Heyuan Becarry Co. Ltd should be the same as that applicable to imports from cooperating exporters not chosen in the sample.

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(90) With regard to the method of calculation of the dumping margin for Heyuan Becarry Co. Ltd, which, as previously stated, was a cooperating exporting producer included in the sample but was not granted IT, as referred to in recital 65 of the provisional Regulation, the reference in that recital to recital 64 of the provisional Regulation should be to recital 62 instead.

4.7. *Dumping margin for company claiming individual examination*

(91) For the company mentioned in recitals 51 to 54 that was individually examined, in view of the application of Article 18 of the basic Regulation, the countrywide dumping margin will apply.

4.8. *Dumping margins for all other non-cooperating exporting producers*

(92) In the absence of any comments with regard to the calculation of the dumping margin for all other exporting producers, recitals 66 to 67 of the provisional Regulation are hereby confirmed.

(93) Taking into account the comments expressed in recitals 81 to 85, the country-wide margin of dumping is established at 69,7 %.

4.9. *Submissions concerning the list of cooperating exporters*

(94) A number of allegations received suggested that 13 of the exporting producers benefiting from the weighted average provisional duty under the provisional Regulation, included in the Annex thereto, were only traders and not producers, and consequently should not have been included in the Annex.

(95) After further examination, it was found that these allegations were correct in the case of five companies. These companies were informed of the intention to remove them from the relevant Annex and were given the opportunity to comment. Three of these companies did not submit further comments, while two companies made further claims on this matter. These further claims did not contain sufficient evidence to show that these companies were in fact exporting producers of the product concerned and so were rejected. These five companies were accordingly removed from the list of companies benefiting from the weighted average definitive duty.

4.10. *Post-IP events*

(96) Since disclosure of the provisional findings, the relationship between a group of two cooperating exporting producers has allegedly been severed due to changes in the shareholding structure. As a result, one of these companies requested an individual duty independent from that of the other company.

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(97) From the information provided, it appears that the links between these two companies were severed after the IP. The impact of this alleged split in the group structure as well as the request by one of the companies to have an individual duty rate established would need to be reviewed in detail. In this regard, should one or both of these companies request a review of their situation following this alleged split, this can be considered in due time in line with the basic Regulation. In these circumstances, the company's claim to have an individual duty established in this investigation is rejected.

(98) Following final disclosure, the complainant claimed that one of the related exporting producers, referred to in recital 97, should have a separate duty calculated for it on the grounds that there was evidence that it was dumping at a higher level than the other exporting producer. In this regard, it should be noted that for exporting producers that are related during the IP of an investigation not to calculate one weighted average dumping margin and duty for them would leave scope for circumvention of duties by the exporting producer subject to the higher duty. As the two exporting producers concerned in this investigation were found to be related during the IP, there are no grounds for the establishment of separate duties for each of them. As stated in recital 97, should one or both of these companies request a review of their situation following their alleged split, this can be considered in line with the basic Regulation. In these circumstances, the complainant's claim is rejected.

D. **INJURY**

1. **The Union production and the Union industry**

(99) In the absence of any comments or new findings regarding the Union production and the Union industry, the conclusions in recitals 68 to 70 of the provisional Regulation are hereby confirmed.

1.1. *Union Consumption*

(100) In the absence of any comments or findings regarding the Union consumption, the conclusions in recitals 71 and 72 of the provisional Regulation are hereby confirmed.

2. **Imports from China**

(101) One interested party questioned the analysis of the imports claiming that both the complaint and the provisional Regulation lacked data concerning the volume of imports, alleging that a measurement in m^2 is a measurement of area and not of volume.

(102) Another interested party claimed that the developments in price and volume of imports from China simply showed normal trade fluctuations and could therefore not be an indication of the Chinese exporters' behaviour in terms of dumping.

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(103) After final disclosure, one party questioned the reliability of the Eurostat statistics claiming that actual Chinese import prices are higher and therefore comparable to import prices from other third countries. In addition, it was claimed that this would have an effect of the dumping margins found.

(104) Another interested party claimed that their own analysis of the Eurostat statistics in terms of market share and import price were slightly different to those of the provisional Regulation and that these findings should be amended accordingly.

(105) Another interested party claimed that the Commission services had failed to take into account the increase in the prices of Chinese imports that occurred post-IP, in 2010.

(106) Regarding the claim on the unit of measure used to determine import volumes, the term 'volume' of Article 3(2) of the basic Regulation refers to 'quantity', rather than 'cubic volume'. For each product, the most representative unit of measure should be used. As to the product concerned, operators in the world market consistently use square metres (m^2). Therefore, this unit has been considered as the most appropriate for the purpose of this investigation and the claim in this respect was rejected.

(107) As concerns the developments in price and volume of imports from China, it holds true that the variations are limited when considered in absolute terms. Chinese imports decreased by 3 % in the period considered. However, the conclusion as to the volume of Chinese imports had to be put in the context of an overall decrease in consumption in the Union market. The fact that the Chinese imports dropped by only 3 % in this period when the overall consumption fell by 29 % clearly had an impact on their presence in the Union market. Keeping imports stable thus allowed the Chinese imports to gain market share in a period where other operators lost out.

(108) As for the evolution of Chinese prices, the average import prices indicated in recital 73 of the provisional Regulation were based on Eurostat statistics. Questions have been raised as concerns the accuracy of the average import prices to certain Member States but no changes to official statistics have been confirmed. In any event, it is recalled that the Eurostat data was used only to establish the general trends and that even if the Chinese import prices were to be adjusted upwards, the injury picture as a whole would still remain the same with high margins for undercutting and underselling. In this context it should be noted that for the calculation of both injury and dumping margins Eurostat data was not used. Only verified data from visited companies have been used in order to determine the level of the margins. Therefore, even if the discrepancies to the statistics were to be found, this would not have any impact on the level of the margins disclosed.

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(109) As concerns the claim that the Commission services failed to take into account Eurostat data from 2010, this argument cannot be upheld as the figure for the IP included the first quarter of 2010. As concerns the second to fourth quarters of 2010, it should be noted that these figures relate to the post-IP period which should not be taken into consideration. Furthermore, even if these were to be taken into account, the import statistics show that also import prices from third countries increased, indicating that this was a general trend and not specifically isolated to the Chinese imports.

3. **Price undercutting**

(110) It is recalled that at the provisional stage, as outlined in recital 76 of the provisional Regulation, undercutting was defined as the weighted average sales prices of the Union producers to unrelated customers on the Union market, adjusted to an ex-works level, compared per product type to the corresponding weighted average prices of the imports from China to the first independent customer on the Union market, established on a CIF basis, with appropriate adjustments for the existing customs duties, post-importation costs and level of trade.

(111) One party claimed that the calculations disclosed to the parties regarding the calculation of the export price did not correspond to the explanation given in recital 76 of the provisional Regulation. Upon verification, it is confirmed that there was a textual error in that recital. Indeed at provisional stage, the adjustment of the level of trade was made to the ex-works sales prices of the Union producers to unrelated customers on the Union market and no adjustment for post-importation costs was made in the calculation of the average export price. At the definitive stage, the CIF Union frontier prices of exporting producers of the country concerned were adjusted for the existing custom duties and for post-importation costs (costs incurred at Union port for importation, transportation and warehouse expenses which are incurred before the resale by importers), on the basis of the information provided by the cooperating unrelated importers.

(112) Another party held that when adjusted downwards to take into account the cost of distribution/marketing, the prices would be similar to those of the Chinese exports. However, the provisional calculation already included these adjustments. Consequently, this claim was unfounded and therefore rejected.

(113) The investigation revealed undercutting levels between 43,2 % and 55,7 %, which slightly differ from what was provisionally found (see recital 77 of the provisional Regulation). The reason for this change is the calculation of a new CIF value for the exporting producer mentioned in recitals 83 to 85 and the calculation of an individual CIF export price for the exporting producer Kito Group, mentioned in recital 51.

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4. **Imports from third countries other than China**

(114) In the absence of any comments or findings regarding the imports from third countries other than China the conclusions in recitals 78 to 80 of the provisional Regulation are hereby confirmed.

5. **Situation of the Union industry**

5.1. *Macroeconomic indicators*

5.1.1. Production, capacity and capacity utilisation

(115) In the absence of any comments or findings regarding production, capacity and capacity utilisation, the conclusions in recitals 84 to 85 of the provisional Regulation are hereby confirmed.

5.1.2. Sales volumes and market share

(116) In the absence of any comments or findings regarding sales volumes and market share, the conclusions in recitals 86 to 87 of the provisional Regulation are hereby confirmed.

5.1.3. Employment and productivity

(117) In the absence of any comments or findings regarding employment and productivity, the conclusions in recitals 88 to 89 of the provisional Regulation are hereby confirmed.

5.1.4. Magnitude of dumping margin

(118) The dumping margins are specified in recitals 88 to 93. It is confirmed that all margins established are significantly above the *de minimis* level. Given the volumes and the prices of dumped imports, it is therefore confirmed that the impact of the actual margin of dumping cannot be considered negligible.

5.2. *Microeconomic indicators*

5.2.1. Stocks

(119) One party challenged the correctness of the data provided in recitals 93 to 95 of the provisional Regulation. The party claimed that the value of stocks as a percentage of production over the entire period under consideration was considerably lower than what was listed in Table 10 of the same Regulation. Those calculations were reviewed and it was found that only the percentage data for 2009 and IP were wrongly calculated, and that in those periods the percentage of stocks was indeed slightly higher than what previously indicated. A correct version of this calculation is contained in Table 1 of this Regulation.

(120) The same party alleged that if the Union industry was forced to increase its stock level up to 6 months of production, as stated in recital 94 of the provisional Regulation, that would represent a stock percentage of 50 % over the total production, rather than 59 % as shown in Table 10 of the provisional Regulation.

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(121) In this respect it should be underlined that the analyses made in recitals 93 and 94 of the provisional Regulation were complementary but not identical. The first analysis showed the percentage of stocks of the sampled companies measured in square metres compared to the production of the sampled companies, also expressed in square metres (61 % for the IP). The second analysis, also for the sampled companies, showed the number of months of production stocked in relation to the 12 months of the year (50 % for the IP).

(122) Further analysis allowed the fine-tuning of the assessment of the evolution on the number of months of production being stocked. In this respect, in 2007 the sampled producers kept around 5 months of production (43 %) but the pressure of the dumped imports forced them to increase stocks to more than 7 months of production (corresponding to 61 % of total yearly production) during the IP. Table 1 expresses the stocks volumes also under the form of number of months over the yearly production.

(123) *Table 1*

Stocks

	2007	2008	2009	IP
Stock (thousands m^2)	48 554	50 871	39 689	41 887
Index (2007 = 100)	100	105	82	86
Stocks as percentage of production	43 %	49 %	56 %	61 %
Index (2007 = 100)	100	113	130	142
Number of months stocked compared to annual production	5,2	5,9	6,7	7,4
Index (2007 = 100)	100	113	130	142
Percentage of months stocked (base 12 months)	43 %	49 %	56 %	61 %

(124) The conclusion that the trend of stocks shows an injurious situation is therefore confirmed.

5.2.2. Sales prices

(125) One interested party, as already mentioned in recital 20, challenged the findings in recitals 96 to 99 of the provisional Regulation regarding the Union industry's sales prices, claiming that the Commission did not include in its determination of the Union unit price producers in Poland and the Czech Republic and that the findings were not consistent with actual public data.

(126) Regarding this claim, a simulation was made including the sales prices registered in Poland, which accounts for approximately 10 % of the total Union production. No simulation had been done for the Czech Republic, whose production amounts to less than 3 % of the total Union production. The simulation showed

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that, even taking into consideration Polish prices, the final findings do not change in any meaningful way. Finally, consistently with its methodology, the Commission calculated the Union industry sales prices after making the relevant adjustments to obtain the prices to the first independent customer, to ensure comparability with Chinese sales prices.

(127) One interested party held that the reasoning in recital 97 of the provisional Regulation explaining that the Union industry was forced to sell lower quantities and a larger variety was wrong as the Union industry in such case allegedly should have lost much more than a 2 % market share.

(128) It should be observed that the focussing on sales of lower batches does not necessarily entail the loss of a larger share of the market. Firstly, the Union industry has not been completely ousted from the market for larger, uniform batches of product, notwithstanding the fact that the pressure of low-priced Chinese imports is particularly strong in that sector. Secondly, the Union industry was able to maintain its presence on the whole market by means of a compression of its sales prices and the production of a costlier product-mix, which led to falling profitability as mentioned in recital 100 of the provisional Regulation. Therefore, the fact that the Union industry did not lose a larger portion of the market is explained by the choice to keep a presence on the market despite price pressure from China.

5.2.3. Profitability, cash flow, return on investments and wages

(129) One party held that there are large differences in profitability between large and small companies. For this reason it was claimed that the average profit had to be considered as unrepresentative as the sample only contained data from one large company.

(130) Another party claimed that the large Union producers are in good financial condition. The same party argued that since there were no losses even when adding the small companies in the average profit margin of the Union industry as shown in recital 101 and Table 12 of the provisional Regulation, no overall injury could be demonstrated.

(131) It should be noted that in order to ensure the consistency of the findings with the representativeness of the sampling, all the injury indicators (including profit) have been weighted against the share of each segment in the total Union production. On the other hand, the representativeness of the large company of the situation of the larger segment is confirmed. Therefore, the overall indicators as obtained from the analysis of the sampled companies are representative of the situation of the whole Union industry and the abovementioned claim had to be rejected.

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(132) In relation to the claim that the large companies suffered no injury, it should be noted that in accordance with Article 4(1) of the basic Regulation the analysis should be made in relation to the Union industry as a whole and not to certain groups or types of companies. As mentioned already in recital 130, the fact that no losses are made in the IP does not per se mean that no injury occurred.

5.2.4. Cost of production

(133) One interested party challenged the conclusion that the cost of production of the Union industry had risen by 14 % as a consequence of the increase in stocks and change in product mix. According to this party, this conclusion would not hold true as stock levels as well as product mix are not part of the cost of production.

(134) This claim has to be rejected since high stock levels represent a considerable financial cost, which is included in the analysis of the cost of production. On the other hand, the repeated change in product mix entails additional production costs as the producer has to frequently revise the production process: this operation can be costly since it causes idle times and sub-optimal utilisation of the machineries.

6. **Conclusion on injury**

(135) One interested party questioned the conclusion in recital 107 of the provisional Regulation that the decrease in consumption had a negative effect on the Union industry. According to this party, there could be no injury as a consequence of the decrease in consumption as the overall market share remained the same.

(136) As for the comment on the stability of the Union producers' market share despite falling consumption, it should be noted that market share is not the only relevant indicator of injury. The Union producers managed to keep their share in the Union market only to the detriment of profitability, which fell during the period under consideration. It cannot therefore be concluded that the stability of the Union producers' market share excludes the presence of injury.

(137) Considering the above, the conclusions on injury as set out in recitals 107 to 111 of the provisional Regulation are hereby confirmed.

E. **CAUSATION**

(138) The Commission received comments on the provisional findings concerning causation. Those comments were a repetition of comments already addressed in the provisional Regulation in recitals 128 to 132 concerning self-inflicted injury. No further evidence was submitted that would change the provisional conclusions. Therefore, the conclusions as set out in recitals 135 and 136 of the provisional Regulation are hereby confirmed.

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1. **Impact of the imports from China**

(139) In accordance with Article 3(6) and (7) of the basic Regulation, at provisional stage it was examined whether the dumped imports of the product concerned originating in China had caused material injury to the Union industry.

(140) Some parties claimed that the decline in the Union industry's production and sales was a result of decreasing consumption. It was also held that the effects of Chinese imports must have been limited given that the Chinese market share only increased by 1,6 % out of which no more than 1 % could have related to the Union industry's market share.

(141) In this context it is recalled that the investigation revealed a coincidence in time between the increased market share of the Chinese imports and the decrease of the Union industry's profits and an increase of stock levels. Furthermore, it is not only an increased market share that has put pressure on the Union industry but even more so the pricing behaviour and the high undercutting levels of the Chinese exporting producers.

(142) As recalled in recital 113, the investigation revealed significant levels of price undercutting. It also showed that the Union industry and importers to a large extent were selling to the same customers which meant that the Union industry was in direct competition with the dumped imports for orders.

(143) Overall this shows that it was the price pressure and not only the volumes of imports that caused the fall of the Union industry profitability figures and the deterioration of most injury indicators.

2. **Lack of competition between tiles produced in the Union and the dumped tiles imported from China**

(144) Several interested parties claimed that imports of ceramic tiles from China could not have caused injury to the Union industry as they are not comparable. In this context it was held that ceramic tiles from China cater the market for homogeneous products while the Union industry produces to order, in smaller batches. It was also held that the Chinese and the Union industry are not in competition due to the fact that the Chinese operate in the low to mid-end segment while the Union industry operates in the mid to high-end segment. The limited loss of market share by the Union industry was put forward as evidence in this respect.

(145) While no substantive evidence has been supplied in support of the above claims, it was nevertheless carefully considered whether Chinese imports were indeed competing with the tiles produced in the Union.

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(146) In this context it should be noted that the Commission made very detailed comparisons, distinguishing between hundreds of different types of tiles. In this case, the investigation showed a significant level of matching types between the Union industry and the exporters. This clearly shows that the Union industry and the Chinese imports are competing in terms of product types. It is also recalled that it has been established in the investigation that the Union industry and the exporting producers are in direct competition as they share the same client base.

(147) In respect of the claim that ceramic tiles from China cater the market for homogeneous products while the Union industry produces to order, in smaller batches, it is recalled – see recital 95 of the provisional Regulation – that it was exactly the pressure from the Chinese imports that forced the Union industry to move towards smaller batches of products with larger varieties in terms of colours and size. The Union industry still has a presence in all segments of the market and unlike what was claimed above, the pattern showing that the Union industry had to focus on specific product types must be seen as an indication that direct competition was at hand.

(148) In view of the above, the argument that the Chinese imports did not cause injury to the Union industry as they were not competing cannot be upheld.

3. **Effects of other factors**

3.1. *Impact of imports from other third countries*

(149) Some parties maintained the argument that the impact of the Turkish imports had to be considered as significant. In terms of prices one party challenged the conclusion that the increase of 19 % of Turkish prices was substantial.

(150) This argument was discussed in recital 118 of the provisional Regulation and no new evidence was found which would invalidate the conclusion made at provisional stage. In this context it is confirmed that the increase of 19 % of the Turkish prices must be considered as substantial. It is furthermore recalled, as indicated in recital 41, that there was no evidence of dumped imports that caused injury to the Union industry from this country and therefore this argument cannot be upheld.

3.2. *Impact of decrease in consumption*

(151) One interested party claimed that the decrease in consumption affected mainly Spain and Italy where allegedly injury was most present. Conversely, the main destination of the Chinese exports was the northern Member States that did not show a decrease in consumption and where Union producers were allegedly less injured. The same party also held that the Spanish ceramic tiles industry has recovered in 2010 which shows that there is no link between Chinese exports and the production and sales figures of the Union industry.

(152) One party claimed that the increase of stocks registered by the Union industry should be attributed to a fall in Union consumption, and not to the dumped Chinese imports.

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(153) The claims that the northern European Member States were not affected by the decrease in consumption and that imports from China would have been directed only towards northern Europe, was not supported by any substantiated evidence. To the contrary, data from the sampled Chinese exporting producers shows that these sales are evenly spread across the Union. Furthermore, Spain and Italy collectively account for 28 % of these sales, only slightly below sales to Germany (32 %). On this basis, these claims were rejected.

(154) With regards to the claim that the increase of stocks registered by the Union industry should be attributed to a fall in Union consumption, the Commission recalls the reasoning contained in recital 108 of the provisional Regulation, i.e. that the pressure of Chinese imports was very strong especially in the sector of sales of big batches and that this had a clear impact on the Union producers' stocks. The growth of the stock ratio over the period considered cannot be explained only by the difficulty in selling the products, but also by the necessity to keep an extremely high variety of products available in the stocks. The conclusion on the injurious effect of Chinese imports on stocks is therefore confirmed.

3.3. *Impact of the economic crisis*

(155) Several interested parties maintained that the economic crisis was the real cause of the difficulties facing the Union industry. This was evidenced by the fact that the main deteriorations took place between 2008 and 2009, i.e. in the year that the crisis hit, while the trend was less sharp in the following period. It is also pointed out that the period considered included the high and low peaks of a cycle with the high point being characterised by the boom in the construction sector and the low point by the financial crisis and the decrease in exports due to the establishment of new production sites in third world countries.

(156) After final disclosure, one interested party maintained that the deterioration of a number of injury indicators was due to the economic crisis rather than the dumped imports. According to this party, the effect of the recession was to increase the demand of large bulk of low priced products. As a result, the Union industry had to focus more into the production for large bulk orders, a segment where the Chinese were already operating, with an increase in stock level as a result. Furthermore, the recession allegedly caused inflation in the Union, comparatively higher than in China, causing the increase in costs of production of the Union producers which allegedly led the Union industry to sell at prices below costs of production.

(157) Another party claimed that the profit of the Union industry had gone up significantly in the last quarter of the IP and that this showed that the Union industry had recovered after the economic crisis. This party requested that profit for the IP should be given per quarter which would likely indicate a significantly higher profitability towards the end of the IP.

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(158) The fact that the economic downturn did have an effect on the performance of the Union industry was already acknowledged in recital 120 of the Regulation imposing provisional measures. In this context it should be recalled that in order for causation to be established, the relevant legal standard stipulates that the dumped imports need to have caused material injury to the Union Industry. Dumped imports however need not have been the sole cause of injury.

(159) Furthermore the investigation showed that the Chinese trend of increasing exports could continue despite the economic crisis. China was indeed the only actor in the market that was able to maintain its market share in the difficult economic situation.

(160) As for the structural change in the Union demand mentioned in recital 156, no evidence was brought forward in support of this claim. To the contrary, it is recalled that, as explained in recital 106 of the provisional Regulation, the investigation revealed that the Union industry had to change its product mix by supplying a larger variety of products in terms of types, colour and size and had to increase its stocks in order to react in a short time to very specific orders. This claim has therefore to be rejected.

(161) Concerning the impact of inflation in the costs of production, it is observed that the inflation rate in the Union has not been on average higher than in China during the period under consideration and that it cannot therefore explain the difficulties of Union producers in selling at sustainable prices. Given the level of undercutting it can furthermore not be concluded that a downward pressure on Chinese import prices has been caused by the Union industry. On this basis, the claim brought forward by this party had to be rejected.

(162) As concerns the situation of the Union industry on the other hand, it is recalled that the provisional Regulation (recital 126) showed that the aggressive pricing behaviour by the Chinese exporters affected the Union industry profitability over the period under consideration already before the world economic downturn. This shows that even in the absence of the crisis, the pressure of low-priced imports from China was on its own sufficient to be able to cause material injury to the Union industry.

(163) This fact, if considered together with dumped prices, strengthens the conclusion that the causal link between Chinese exports and the Union industry's injury is not broken by the economic downturn.

(164) Concerning the request that profit for the IP be given per quarter, this was not considered to be relevant in the current investigation because even if such a more pronounced improvement of the profit had occurred, it would have to be compared to the target profit of 3,9 %.

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3.4. *Impact of the Union industry's failure to restructure*

(165) One interested party claimed that injury to the Union producers should be attributed to their failure to restructure as the market contraction of 29 % had been met only with a 7 % capacity cut and a 16 % cut in employment.

(166) In this sector, the dismissal of production capacity is a difficult process, as the recuperation of the capacity in case of an eventual recovery of the market is extremely costly for the producers. The cut in employment seen in the period concerned was in the same order of magnitude as the decrease of the market. The trend for employment does not have to perfectly mirror the trend of the output, since not all jobs are directly linked to actual production. In conclusion, the fact that the dismissal of capacity and working force in the industry did not exactly match the contraction of the market does not point to a failure to restructure. Contrary to the claims and taking into account the structure of the industry, a 7 % capacity cut and a 16 % cut in employment must therefore be considered significant.

3.5. *Effect of the Union industry's performance on export markets*

(167) One interested party claimed that it was the high prices and not the effect of the Chinese exports that had caused the decline in the Union industry export sales.

(168) In respect of this claim it is recalled that the Union industry export performance has recovered after the economic crisis. The claim that the export performance would have had a significantly detrimental effect on the results of the Union industry can therefore not be accepted.

4. **Conclusion on causation**

(169) None of the arguments submitted by the interested parties demonstrates that the impact of factors other than dumped imports from China is such as to break the causal link between the dumped imports and the injury found. The conclusions on causation in the provisional Regulation are hereby confirmed.

F. **UNION INTEREST**

(170) In view of parties' comments the Commission conducted further analysis of all arguments pertaining to the Union interest. All issues have been examined and the conclusions of the provisional Regulation confirmed.

1. **Interest of the Union industry**

(171) In the absence of comments regarding the interest of the Union industry, the conclusions in recitals 137 to 141 of the provisional Regulation are hereby confirmed.

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2. **Interest of importers**

(172) One party claimed that the imposition of measures threatened the economic existence of importers as they would be able to only partially pass over the extra costs of the duties to their customers.

(173) Following final disclosure two parties opposed the conclusion that importers can easily switch from Chinese supplies to other sources of supply, in particular because qualities and prices were not comparable.

(174) Regarding this claim, it is recalled that a large part of imports is not affected by duties as it is of non-Chinese origin. The characteristics of the product, being produced all over the world in comparable qualities, suggest that these products are interchangeable and that therefore a number of alternative sources are available, despite the allegations made. Even for importers that rely on Chinese imports, which the investigation found to be dumped and sold at prices which significantly undercut those of the products originating in the Union, the investigation found that importers can apply to their selling prices mark-ups in excess of 30 %. This, together with the fact that importers have been found to have realised profits of around 5 % and their possibility to pass on at least part of potential cost increases to their customers, suggests that they are in a position to cope with the impact of measures.

(175) Furthermore, and as concluded in recital 144 of the provisional Regulation, the imposition of measures would not hamper Union importers from increasing their import shares of products from the other non-dumped sources available to them both in the Union and in other third countries.

(176) One importer alleged that for a certain product type, Chinese prices would currently be higher that those of the Union industry and that measures would therefore not allow to export this specific type in the future.

(177) This claim was not supported by any evidence. Furthermore, according to the information available, this product type only represented a minor proportion of the market and would not affect significantly the supply situation in the Union market. The claim was therefore rejected.

3. **Interest of users**

(178) Some interested parties claimed that the impact on users would be significant. In particular it was held that even the minimum price increase of 32,3 % will prevent customers' quality purchases. It was also held that while it may be true that the impact on large diversified Do-It-Yourself shops might be limited, small specialist shops would be significantly affected.

(179) As for the impact on final users, the Commission confirms what was provisionally concluded in the Commission Regulation imposing provisional duties, under recitals 152 and 153, i.e. that the price effect will be limited.

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(180) The construction sector, one of the larger customers of ceramic tiles' producers, decided not to cooperate in the investigation. After the imposition of provisional measures, the European Construction Industry Federation – FIEC – was again invited to provide statistics showing to what extent, if any, it would be affected by the imposition of measures. FIEC confirmed that, although there is no information directly available, the cost impact of the measures on their overall business is very low. They also explained that the low interest by their members should be seen as supporting the Commission proposal.

(181) Finally, regarding small specialist shops, the Commission could not obtain any conclusive data that would confirm the magnitude and the extent of impact of anti-dumping measure. Parallel to what happens to importers, it should be remembered that ceramic tiles are produced in the Union and in many non-dumping third countries; therefore a serious risk of shortage of supply for retail shops can be excluded.

4. **Interest of final consumers**

(182) Efforts were directed towards obtaining a more detailed impact assessment from consumers. The investigation showed that the impact is likely to be limited.

(183) First of all, the absolute value of the measures is calculated on the import price, therefore on a basis which is much lower than the final retail price of the product concerned. This value can be diluted in the various steps (importers, wholesalers and retailers) before reaching the final customer. And even if the importers and resellers would transfer the whole burden of the duty to the customers, it is recalled that there is a large offer of products in the market not subject to measures, produced both by Union producers and third countries producers.

(184) The Commission calculated the impact of the anti-dumping duties on prices to consumers by assessing the amount of duties to be paid, according to the actual imports from China, and allocating this amount directly to the consumers, assuming that importers, wholesalers and retailers would pass all the additional cost on to final consumers. The cost impact so calculated is significantly lower than EUR 0,5 per m^2. It is recalled that the provisional Regulation concluded that the average yearly average consumer consumption is around 2,2 m^2 per person in the Union. Given the low impact of the duty per square metre, the cost increase will therefore probably be limited even if the consumer was to buy a considerable quantity of the product concerned for construction or renovation works.

5. **Conclusion on Union interest**

(185) The effects of the imposition of measures can be expected to assist the Union industry, with consequent beneficial effects on the competitive conditions on the Union market and the reduction of the threat of closures and reductions in employment.

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(186) Furthermore, the imposition of the measures can be expected to have a limited impact on the users/importers, which would be able to source from a wide range of suppliers in the Union market and in other third countries.

(187) In the light of the foregoing, it cannot be concluded that the imposition of measures would go against the Union interest.

G. DEFINITIVE MEASURES

1. Injury elimination level

1.1. *Disclosure*

(188) Two interested parties held that the Commission should have disclosed the underselling margin in the provisional Regulation and one of them claimed that failure to disclose this data meant that interested parties were not able to assess whether the lesser duty rule had been correctly applied.

(189) In response to the above, the provisional margins were as follows:

Company	Injury margin
Group Wonderful	52,6 %
Group Xinruncheng	95,8 %
Shandong Yadi Ceramics Co. Ltd	72,1 %
Heyuan Becarry Ceramic Co. Ltd	73,9 %
All other cooperating producers	66,0 %
Residual	95,8 %

1.2. *Injury margin*

(190) One party claimed that the Commission used an inconsistent approach for the determination of injury and should have based its conclusions on weighted average data of the whole industry.

(191) In respect to this claim, it is noted that the findings on the injury elimination level are based on verified company specific data which was considered the most reliable basis in order to take into account all pertinent facts for comparison purposes. This claim had therefore to be rejected.

(192) In view of the conclusions reached with regard to dumping, resulting injury, causation and Union interest, measures should be imposed in order to prevent further injury being caused to the Union industry by the dumped imports from China.

(193) For the purpose of determining the level of these duties, account was taken of the dumping margins found and the amount of duty necessary to eliminate the injury sustained by the Union industry.

(194) It was therefore found appropriate to calculate the underselling margin on the basis of the prices identified from the data submitted by Union producers and Chinese exporters.

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(195) When calculating the amount of the anti-dumping duty necessary to remove the effects of the injurious dumping, it was considered that the duty should be so calculated to allow the Union industry to cover its costs of production and achieve a reasonable profit. It was considered that this reasonable profit, before tax, shall be what was achieved by an industry of this type under normal conditions of competition, i.e. in the absence of dumped imports, on sales of the like product in the Union. This profit has been assessed by reference to the profitability of 3,9 % that the Union industry achieved in 2007 as detailed in Table 12 in the provisional Regulation.

(196) The injury margins established are as follows:

Company	Injury margin
Group Wonderful	58,5 %
Group Xinruncheng	82,3 %
Shandong Yadi Ceramics Co. Ltd	66,6 %
Heyuan Becarry Ceramic Co. Ltd	58,6 %
All other cooperating producers	65,0 %
Residual	82,3 %

(197) It is noted that the injury margin for 'all other cooperating producers' was determined without using data from the Kito Group, since the Kito Group did not form part of the sample, and in order to be coherent with the way the dumping margin for 'all other cooperating producers' is calculated (see Article 9(6) first sentence of the basic Regulation). For the Kito Group, in view of the application of Article 18 of the basic Regulation as mentioned in recital 54, the residual injury margin will apply.

(198) It is also noted that the underselling margins are higher than the margins of dumping established above in recitals 88 to 93 and therefore the dumping margin should serve as the basis to establish the level of the duty in accordance with the lesser-duty rule.

(199) In order to ensure equal treatment between any new exporting producers and the cooperating companies not included in the sample, mentioned in Annex I to this Regulation, provision should be made for the weighted average duty imposed on the latter companies to be applied to any new producers which would otherwise not be entitled to a review pursuant to Article 11(4) of the basic Regulation, as Article 11(4) does not apply where sampling has been used.

2. **Custom declaration**

(200) Statistics of the product concerned are frequently expressed in square metres. However, there is no such supplementary unit for the product concerned specified in the Combined Nomenclature laid down in Annex I to Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature

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and on the Common Customs Tariff [1]. It is therefore necessary to provide that not only the weight in kg or tonnes but also the number of square metres of the product concerned for imports is entered in the declaration for release for free circulation.

3. **Definitive collection of provisional duty**

(201) In view of the magnitude of the dumping margins found and in the light of the level of the injury caused to the Union industry, it is considered necessary that the amounts secured by way of the provisional anti-dumping duty, imposed by the provisional Regulation, be definitively collected.

(202) Where the definitive duties are higher than the provisional duties, only the amounts secured at the level of the provisional duties should be definitively collected, while the amounts secured in excess of the definitive rate of anti-dumping duties should be released.

4. **Form of measures**

(203) One interested party suggested that measures take the form of minimum import price (MIP) instead of *ad valorem* duties. However, an MIP is not suitable for the product concerned as it exists in a multitude of product types, for which prices vary significantly, thus posing a substantial risk of cross-compensation. In addition, it is expected that the product types will further evolve in design and finishing and the MIP would no longer provide the appropriate basis for the level of the duty. Therefore, the request to impose measures under the form of MIP is rejected.

(204) Another party requested that measures should take the form of import quotas. However, import quotas are neither in line with the basic Regulation nor with the internationally agreed rules. Therefore the request had to be rejected,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of glazed and unglazed ceramic flags and paving, hearth or wall tiles; glazed and unglazed ceramic mosaic cubes and the like, whether or not on a backing, currently falling within CN codes 6907 10 00, 6907 90 20, 6907 90 80, 6908 10 00, 6908 90 11, 6908 90 20, 6908 90 31, 6908 90 51, 6908 90 91, 6908 90 93 and 6908 90 99, 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 products described in paragraph 1 and manufactured by the companies listed below shall be as follows:

[1] OJ L 256, 7.9.1987, p. 1.

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Company	Duty	TARIC Additional Code
▼M2 _____		
Dongguan City Wonderful Ceramics Industrial Park Co., Ltd; Guangdong Jiamei Ceramics Co. Ltd	32,0 %	B938
Qingyuan Gani Ceramics Co. Ltd; Foshan Gani Ceramics Co. Ltd	13,9 %	B939
▼B Guangdong Xinruncheng Ceramics Co. Ltd	29,3 %	B009
Shandong Yadi Ceramics Co. Ltd	36,5 %	B010
Companies listed in Annex I	30,6 %	
All other companies	69,7 %	B999

3. The application of the individual duty rates specified for the companies referred to in paragraph 2 shall be conditional upon presentation to the customs authorities of the Member States of a valid commercial invoice, which shall comply with 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.

Article 2

Amounts secured by way of provisional anti-dumping duties pursuant to Commission Regulation (EU) No 258/2011 imposing a provisional anti-dumping duty on imports of ceramic tiles currently falling within CN codes 6907 10 00, 6907 90 20, 6907 90 80, 6908 10 00, 6908 90 11, 6908 90 20, 6908 90 31, 6908 90 51, 6908 90 91, 6908 90 93 and 6908 90 99, and originating in the People's Republic of China, shall be definitively collected. The amounts secured in excess of the amount of the definitive anti-dumping duties shall be released.

Article 3

Where any producer from the People's Republic of China provides sufficient evidence to the Commission that it did not export the goods described in Article 1(1) originating in the People's Republic of China during the period of investigation (1 April 2009 to 31 March 2010), that it is not related to an exporter or producer subject to the measures imposed by this Regulation and that it has either actually exported the goods concerned or has entered into an irrevocable contractual obligation to export a significant quantity to the Union after the end of the period of investigation, the Council, acting by simple majority on a proposal by the Commission, after consulting the Advisory Committee, may amend Article 1(2) in order to attribute to that producer the duty applicable to cooperating producers not in the sample, i.e. 30,6 %.

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Article 4

Where a declaration for release for free circulation is presented in respect of the products referred to in Article 1, the number of square metres of the products imported shall be entered in the relevant field of that declaration.

Article 5

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.

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ANNEX I

CHINESE COOPERATING PRODUCERS NOT SAMPLED OR NOT GRANTED INDIVIDUAL TREATMENT

Name	TARIC additional code
Dongguan He Mei Ceramics Co. Ltd	B132
Dongpeng Ceramic (Qingyuan) Co. Ltd	B133
Eagle Brand Ceramics Industrial (Heyuan) Co. Ltd	B134
Enping City Huachang Ceramic Co. Ltd	B135
Enping Huiying Ceramics Industry Co. Ltd	B136
Enping Yungo Ceramic Co. Ltd	B137
▼M3 Everstone Industry (Qingdao) Co. Ltd	B998
▼B Foshan Aoling Jinggong Ceramics Co. Ltd	B138
Foshan Bailifeng Building Materials Co. Ltd	B139
Foshan Bragi Ceramic Co. Ltd	B140
Foshan City Fangyuan Ceramic Co. Ltd	B141
Foshan Gaoming Shuncheng Ceramic Co. Ltd	B142
Foshan Gaoming Yaju Ceramics Co. Ltd	B143
Foshan Guanzhu Ceramics Co. Ltd	B144
Foshan Huashengchang Ceramic Co. Ltd	B145
Foshan Jiajun Ceramics Co. Ltd	B146
Foshan Mingzhao Technology Development Co. Ltd	B147
Foshan Nanhai Jingye Ceramics Co. Ltd	B148
Foshan Nanhai Shengdige Decoration Material Co. Ltd	B149
Foshan Nanhai Xiaotang Jinzun Border Factory Co. Ltd	B150
Foshan Nanhai Yonghong Ceramic Co. Ltd	B151
Foshan Oceanland Ceramics Co. Ltd	B152
Foshan Oceano Ceramics Co. Ltd	B153
Foshan Sanshui Hongyuan Ceramics Enterprise Co. Ltd	B154
Foshan Sanshui Huiwanjia Ceramics Co. Ltd	B155
Foshan Sanshui New Pearl Construction Ceramics Industrial Co. Ltd	B156
Foshan Shiwan Eagle Brand Ceramic Ltd	B157
Foshan Shiwan Yulong Ceramics Co. Ltd	B158
Foshan Summit Ceramics Co. Ltd	B159
Foshan Tidiy Ceramics Co. Ltd	B160
Foshan VIGORBOOM Ceramic Co. Ltd	B161
Foshan Xingtai Ceramics Co. Ltd	B162
Foshan Zhuyangyang Ceramics Co. Ltd	B163
Fujian Fuzhou Zhongxin Ceramics Co. Ltd	B164

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Name	TARIC additional code
Fujian Jinjiang Lianxing Building Material Co. Ltd	B165
Fujian Minqing Jiali Ceramics Co. Ltd	B166
Fujian Minqing Ruimei Ceramics Co. Ltd	B167
Fujian Minqing Shuangxing Ceramics Co. Ltd	B168
Gaoyao Yushan Ceramics Industry Co. Ltd	B169
Guangdong Bode Fine Building Materials Co. Ltd	B170
Guangdong Foshan Redpearl Building Material Co. Ltd	B171
Guangdong Gold Medal Ceramics Co. Ltd	B172
Guangdong Grifine Ceramics Co. Ltd	B173
Guangdong Homeway Ceramics Industry Co. Ltd	B174
Guangdong Huiya Ceramics Co. Ltd	B175
Guangdong Juimsi Ceramics Co. Ltd	B176
Guangdong Kaiping Tilee's Building Materials Co. Ltd	B177
Guangdong Kingdom Ceramics Co. Ltd	B178
Guangdong Monalisa Ceramics Co. Ltd	B179
Guangdong New Zhong Yuan Ceramics Co. Ltd Shunde Yuezhong Branch	B180
Guangdong Ouya Ceramics Co. Ltd	B181
Guangdong Overland Ceramics Co. Ltd	B182
Guangdong Qianghui (QHTC) Ceramics Co. Ltd	B183
Guangdong Sihui Kedi Ceramics Co. Ltd	B184
Guangdong Summit Ceramics Co. Ltd	B185
Guangdong Tianbi Ceramics Co. Ltd	B186
Guangdong Winto Ceramics Co. Ltd	B187
Guangdong Xinghui Ceramics Group Co. Ltd	B188
Guangning County Oudian Art Ceramic Co. Ltd	B189
Guangzhou Cowin Ceramics Co. Ltd	B190
Hangzhou Nabel Ceramics Co. Ltd	B191
Hangzhou Nabel Group Co. Ltd	B192
Hangzhou Venice Ceramics Co. Ltd	B193
Heyuan Becarry Ceramics Co. Ltd	B194
Heyuan Wanfeng Ceramics Co. Ltd	B195
Hitom Ceramics Co. Ltd	B196
Huiyang Kingtile Ceramics Co. Ltd	B197
Jiangxi Ouya Ceramics Co. Ltd	B198
Jingdezhen Tidiy Ceramics Co. Ltd	B199
Kim Hin Ceramics (Shanghai) Co. Ltd	B200
Lixian Xinpeng Ceramic Co. Ltd	B201
Louis Valentino (Inner Mongolia) Ceramic Co. Ltd	B202
Louvrenike (Foshan) Ceramics Co. Ltd	B203

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Name	TARIC additional code
Nabel Ceramics (Jiujiang City) Co. Ltd	B204
▼M1 Onna Ceramic Industries (China) Co. Ltd	B293
▼B Ordos Xinghui Ceramics Co. Ltd	B205
Qingdao Diya Ceramics Co. Ltd	B206
Qingyuan Guanxingwang Ceramics Co. Ltd	B207
Qingyuan Oudian Art Ceramic Co. Ltd	B208
Qingyuan Ouya Ceramics Co. Ltd	B209
RAK (Gaoyao) Ceramics Co. Ltd	B210
Shandong ASA Ceramic Co. Ltd	B211
Shandong Dongpeng Ceramic Co. Ltd	B212
Shandong Jialiya Ceramic Co. Ltd	B213
Shanghai Cimic Tile Co. Ltd	B214
Sinyih Ceramic (China) Co. Ltd	B215
Sinyih Ceramic (Penglai) Co. Ltd	B216
Southern Building Materials and Sanitary Co. Ltd of Qingyuan	B217
Tangshan Huida Ceramic Group Co. Ltd	B218
Tangshan Huida Ceramic Group Huiquin Co. Ltd	B219
Tegaote Ceramics Co. Ltd	B220
Tianjin (TEDA) Honghui Industry & Trade Co. Ltd	B221
Topbro Ceramics Co. Ltd	B222
Xingning Christ Craftworks Co. Ltd	B223
Zhao Qing City Shenghui Ceramics Co. Ltd	B224
Zhaoqing Jin Ouya Ceramics Company Limited	B225
Zhaoqing Zhongheng Ceramics Co. Ltd	B226
Zibo Hualiansheng Ceramics Co. Ltd	B227
Zibo Huaruinuo Ceramics Co. Ltd	B228
Shandong Tongyi Ceramics Co. Ltd	B229

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ANNEX II

A declaration signed by an official of the entity issuing the commercial invoice, in the following format, must appear on the valid commercial invoice referred to in Article 1(3):

1. The name and function of the official of the entity issuing the commercial invoice.

2. The following declaration:

   ‘I, the undersigned, certify that the (volume) of ceramic tiles sold for export to the European Union covered by this invoice was manufactured by (company name and registered seat) (TARIC additional code) in (country concerned). I declare that the information provided in this invoice is complete and correct.

   (Date and signature)’.