

KING & SPALDING

Executive summary

of the

**REQUEST FOR INITIATION OF AN ANTI-DUMPING INVESTIGATION
ON IMPORTS OF TITANIUM DIOXIDE ORIGINATING IN
THE PEOPLE'S REPUBLIC OF CHINA**

Submitted by King & Spalding on behalf of the European Titanium Dioxide Ad Hoc
Coalition

1. INTRODUCTION

The European Titanium Dioxide Ad Hoc Coalition (the “Complainant”) requests that the European Commission initiates an anti-dumping investigation concerning imports of titanium dioxide (“TiO₂”) originating in the People’s Republic of China (“China”), pursuant to Article 5 of Regulation (EU) 2016/1036 of 8 June 2016 on protection against dumped imports from countries not members of the European Union, as amended (the “AD Regulation”), with a view to the imposition of anti-dumping measures for a five-year period.

2. INFORMATION ABOUT THE COMPLAINT

2.1 Product description

The product concerned is titanium dioxide, an inorganic chemical having the chemical formula TiO₂, in all forms, as titanium oxides or in pigments and preparations based on titanium dioxide containing a minimum of 80% by weight of titanium dioxide calculated on the dry matter, having all types of particle sizes, originating in the People’s Republic of China.

The product concerned is imported under CN codes ex 2823 00 00 and 3206 11 00 of the Union’s Combined Nomenclature. It is classified under CAS RN 12065-65-5 and 13463-67-7.

TiO₂ is mostly commonly used as a white pigment to impart whiteness, brightness and opacity. There is no effective substitute to TiO₂ since no other white pigment has the physical properties for achieving comparable results or can be incorporated as cost effectively.

Titanium dioxide is widely used in a variety of products and industries. Mass applications for titanium dioxide include coatings (including paints) used in all manner of architectural and industrial applications; plastics; and paper and paper laminates (used in the manufacture of furniture, flooring, and other consumer goods). Specialty applications include pharmaceutical, skin care and food products as well as titanium-based chemicals and intentionally produced ultrafine TiO₂ used in an extremely diverse range of critical products such as air pollution control equipment, energy storage, photovoltaics, photocatalysis, electronics and water treatment.

2.2 Summary of the complaint

The European Titanium Dioxide Ad Hoc Coalition has filed this complaint on behalf of Union producers of TiO₂ representing more than 50% of the total EU production.

Dumped imports of TiO₂ from the China have sharply and continually increased over the past years. This rapid evolution of imports of TiO₂ from the China has been made possible due to high dumping practices by Chinese exporters on the EU market. The Complainant has provided evidence that dumped imports of TiO₂ from the China have caused material injury to the EU TiO₂ industry.

Dumping

The Complainant has gathered evidence showing that China's exporters have been practicing dumping on the EU market. The dumping margin estimated by the Complainant for Chinese TiO₂ exporters amounted to between 45 and 65%.

Injury

Due to these dumping practices, TiO₂ imports from the China have sharply and continually increased over the past years. Dumped TiO₂ imports from the China have rapidly gained significant market shares during the past three years and have caused material injury to EU TiO₂ industry.

The price pressure from unfair imports from the China has prevented the EU TiO₂ industry to raise its TiO₂ selling price to fully offset the cost increase, thereby directly impacting its profitability.

The Complainant has provided micro and macro indicators describing the situation of the TiO₂ industry. In this respect, it has compared the EU selling prices of TiO₂ and the China import price to the EU and has evidenced significant undercutting and underselling margins during the period considered.

Causal link

The Complainant has established that dumped imports of TiO₂ from the China are the main cause of the injury suffered by the EU TiO₂ industry. The dumped imports from the China have exerted a price pressure on the EU sales prices preventing the EU TiO₂ industry to raise its TiO₂ selling price to fully offset the cost increase, thus resulting in severe loss.

3. INTERESTED PARTIES

Known Chinese TiO₂ producers
LB Group
CNNC Hua Yuan Titanium Dioxide CO., Ltd.
Jiangsu GPRO Group
Shandong Jinhai (Lubei)
Shandong Doguide Group Co. Ltd.
Pangang Group Titanium Dioxide Co. Ltd
China National Bluestar Group Co.
Panzhuhua Taihai
Shandong Dawn Group
Ningbo Xinfu Titanium Dioxide Co., Ltd.
Anhui Annada Titanium Industry Co.,Ltd.
Panzhuhua Haifengxin
Cangwu Shunfeng Titanium Dioxide Co., Ltd.

Chemours Chenguang
Jiangxi Tikon Titanium
Guangxi Jinmao
GuangDong Hui Yun Titanium Industry
Jiangsu Taibai Group Co. Ltd
Tianyuan Group
Yunnan Dahutong
Panzhuhua Xingzhong
EU TiO₂ producers
Cinkarna, Metalurško kemična industrija Celje, d.d.
Kronos
Precheza a.s.
Tronox
Tronox
Venator
Zakłady Chemiczne Police S.A. - Grupa Azoty
EU importers/users
Akzonobel
Hempel
Kaindl
Eigenmann & Veronelli
Cromology
Munksjö
Beckers Group
Brilluxmustn
Brenntag
Remmers Gmbh
Avient
Sherwin-Williams
Cartiere Di Guarcino Spa
Safic-Alcan
PPG
DAW
LyondellBasell
Ampacet
Valspar
Sun Chemical Ltd
Flint Group
Felix Schoeller
Koehler Paper SE
BASSERMANN minerals GmbH & Co. KG
Omya

Hempel Decorative Europe
Schulz Farben
Swarco
Polyplast Müller

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