

## European Union (EU): Initiation of an Anti-Dumping Investigation Regarding “Hot-Rolled Steel” Products Originating from Egypt, India, Japan, and Vietnam

### I. Basic Information

- **Document Number:** C/2024/4995
- **Date of Issuance:** August 8, 2024
- **Investigating Authority:** Directorate-General for Trade - European Commission
- **Complainant:** The European Steel Association (EUROFER - "the complainant"). The complaint was lodged on behalf of the Union industry producing certain hot-rolled flat steel products, in accordance with Article 5(4) of the Basic Regulation. A public version of the complaint and the analysis of the level of support from Union producers are available for review by interested parties.
- **Reason for Initiating the Investigation:** The European Commission ("the Commission") received a complaint under Article 5 of Regulation (EU) 2016/1036 of the European Parliament and of the Council of June 8, 2016, on protection against dumped imports from countries not part of the European Union. The complaint alleges that hot-rolled flat steel products originating from Egypt, India, Japan, and Vietnam are being dumped and causing injury to the Union industry

### II. Subject of the Investigation

- **Product Name:** Hot-rolled flat steel from iron, non-alloy steel, or alloy steel, whether in coils or not (including cut-to-length and narrow strip products), not further worked than hot-rolled, not clad, plated, or coated.
- **HS Codes:**

7208.10.00, 7208.25.00, 7208.26.00, 7208.27.00, 7208.36.00, 7208.37.00, 7208.38.00, 7208.39.00, 7208.40.00, 7208.52.10, 7208.52.99, 7208.53.10, 7208.53.90, 7208.54.00, 7211.13.00, 7211.14.00, 7211.19.00, ex 7225.19.10 (TARIC code 7225.19.10.90), 7225.30.90, ex 7225.19.10 (TARIC code 7225.19.10.90), 7225.30.90, ex 7226.19.10 (TARIC codes 7226.19.10.91, 7226.19.10.95), 7226.91.91 and 7226.91.99.

The above CN and TARIC codes are provided for information purposes only and do not affect any subsequent tariff classification changes. The scope of this investigation will follow the definition of the product under investigation, as outlined in Section 2.

- **Excluded Products:**
  - (i) Stainless steel and grain-oriented silicon electrical steel.
  - (ii) Tool steel and high-speed steel.
  - (iii) Non-coiled, non-patterned products exceeding 10 mm in thickness and 600 mm or more in width.

(iv) Non-coiled, non-patterned products with a thickness between 4.75 mm and not more than 10 mm and a width of 2,050 mm or more.

- **Countries of Origin of the Investigated Goods:** Egypt, India, Japan, and Vietnam.

### III. Dumping and Injury Allegations

- **Dumping Margin:**

The complainant argues that domestic prices in Vietnam cannot be used for all months during the investigation period, as some months show sales prices below the cost of production, indicating a departure from normal business practice. Consequently, the dumping margin is based on two scenarios:

- For months where sales prices were below the cost of production, a comparison was made between a normal value (including production costs, selling, general and administrative expenses, and profit) and the export price (ex-works) of the product when exported to the EU.
- For months where sales prices were above the cost of production, a comparison was made between domestic prices and the export price (ex-works) of the product when exported to the EU.

Finally, the monthly comparison results were aggregated into annual data. The results indicate that the dumping margins of Vietnamese companies are considered significant.

- **Injury:**

The complainant has provided evidence that imports of the product under investigation from Vietnam have increased in both absolute terms and in terms of market share. Evidence submitted by the complainant suggests that the volume and/or price of the investigated imports have had adverse effects, as reflected in the reduction of sales volumes, sales prices, and market share of the EU industry, causing serious harm to overall performance, financial health, and employment in the sector.

### IV. Allegation of Raw Material Distortions

The complainant has provided sufficient evidence of potential raw material distortions in India and Vietnam concerning the product under investigation.

For Vietnam, the complaint alleges that iron ore and coking coal, which account for [30-40%] and [26-39%] of the production costs of the investigated product, respectively, are subject to raw material distortions in the form of export taxes. As no domestic price data for iron ore was available, import prices into Vietnam from the Trade Data Monitor database were used as a proxy for domestic prices to compare with international benchmark prices. Based on this comparison, the complaint suggests that raw material distortions result in significantly lower prices compared to representative international markets under Article 7(2a), paragraph 2 of the Basic Regulation.

Therefore, under Article 7(2a) of the Basic Regulation, the investigation will examine the allegations of distortions to assess whether a duty lower than the dumping margin would suffice

to remove the injury. If additional distortions under Article 7(2a) of the Basic Regulation are identified during the investigation, they may also be included in the scope of the investigation.

#### **V. Period of Investigation (POI):**

- The period of investigation (hereinafter referred to as “POI”) : from April 1, 2023, to March 31, 2024.
- The injury investigation period: from January 1, 2021, to March 31, 2024.

#### **VI. Investigation Procedures:**

##### **Comments on the complaint:**

- All interested parties wishing to submit comments on the complaint (including issues related to injury and causation) or any aspect of the initiation of the investigation (including the level of support for the complaint) must do so within 37 days from the publication of this Notice.
- Any requests for a hearing regarding the initiation of the investigation must be submitted within 15 days from the publication of this Notice.

##### **Registration of interested parties:**

- To participate in the investigation, interested parties such as exporting producers, Union producers, importers, and their representative associations, consumers, and their representative associations, as well as trade unions and consumer protection organizations, must demonstrate an objective link between their activities and the product under investigation.
- Exporting producers, Union producers, importers, and representative associations who have provided information following the proper procedure will be considered interested parties, provided there is an objective link between their activities and the product under investigation.
- Other parties may only participate in the investigation as interested parties from the point at which they introduce themselves, provided there is an objective link between their activities and the product under investigation. Being considered an interested party does not affect the application of Article 18 of the Basic Regulation.
- Access to the public file listing the interested parties is available at: <https://tron.trade.ec.europa.eu/tron/TDI>. Please follow the instructions on that website to access the file.

##### **Questionnaires:**

- Selected exporting producers will be required to submit completed questionnaires within 30 days of receiving notification that they have been included in the sample, unless otherwise specified.
- The questionnaire will also be provided to any known associations of the exporting producers, as well as to the authorities of the countries concerned.
- In accordance with Article 17(3) of the Basic Regulation, cooperating exporting producers not included in the sample may request the investigating authority to determine their individual dumping margin. Exporting producers wishing to request an individual margin must complete the questionnaire and return it within 30 days of receiving notification of the sample selection, unless otherwise specified. A copy of the questionnaire for exporting producers is available for consultation in the public file and on the DG Trade website.
- The investigating authority will consider whether cooperating exporting producers not included in the sample may be granted individual duties in accordance with Article 9(5) of the Basic Regulation.

#### **Sampling:**

- The investigating authority may limit the scope of the investigation sample if the number of producers, exporters, or importers, or the type of goods subject to the anti-dumping measures, is too large. This is done in accordance with Article 17 of the Basic Regulation.

#### **Cooperation in the investigation:**

- A party will be considered uncooperative if any of the following conditions apply:
  - If any interested party refuses access to, or fails to provide, the necessary information within the specified time frame or significantly impedes the investigation, provisional or final determinations (whether positive or negative) may be made based on the facts available, in accordance with Article 18 of the Basic Regulation.
  - If any interested party is found to have supplied false or misleading information, such information may be disregarded, and the investigation will rely on available data.
  - If a party does not cooperate or only partially cooperates, and conclusions are drawn based on available data under Article 18 of the Basic Regulation, the outcome may be less favorable to that party than if it had cooperated.
  - Failure to provide responses in a digital format will not be considered non-cooperation, provided that the interested party demonstrates that complying with the request would cause an unreasonable burden or cost. In this case, the party should immediately contact the Commission.

**Submission of other information:**

- In general, interested parties are only allowed to submit information within the time limits specified above. Any additional information must be submitted within the following time frames:
  - Any information relating to the provisional stage must be submitted within 70 days from the publication of this Notice, unless otherwise specified.
  - Unless otherwise specified, interested parties should not submit new factual information after the deadline for commenting on the provisional disclosure or provisional disclosure document. After this deadline, interested parties may only submit new factual information if they can prove that it is necessary to rebut factual allegations made by other interested parties and that it can be verified within the time available to complete the investigation in a timely manner.
  - To complete the investigation within the mandatory deadlines, the Commission will not accept submissions from interested parties after the deadline for submitting comments.

**VII. Contact Information:****Commission contact address:**

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**Official information on the case:** [EU-AD-C/2024/4995](#)