

PRESS RELEASE

Expiry Review of anti-dumping duties on ceramic tableware and kitchenware from China:

15 May 2018, Brussels – The European Federation of Ceramic Table- and Ornamentalware (FEFP) welcomes today's publication by the European Commission of a Notice of Initiation of an expiry review of the anti-dumping measures on imports of ceramic tableware and kitchenware from China. FEPF submitted compelling evidence that anti-dumping duties should be renewed for another period of five years in order to preserve the employment and competitiveness of the Union tableware and kitchenware industry.

The request for an expiry review was lodged in February 2018 by FEPF, which represents more than €1.3 billion in revenue and directly employs around 25,000 employees across the European Union ("the Union"), which in turn generates three times as many indirect jobs. The membership of FEPF is representative of the large majority of EU ceramic tableware production notably present in Austria, Bulgaria, the Czech Republic, France, Germany, Italy, Hungary, Poland, Portugal, Romania, Spain and the UK. Companies from all of the largest producing countries have closely co-operated with FEPF in order to compile the extensive data required to contribute to the request for expiry review.

Prior to the anti-dumping measures adopted in 2013, the EU ceramic tableware and kitchenware industry suffered from unfair trading practices due to dumped imports from China, which nearly tripled its market share in just three years. Such an unfairly obtained market share caused a loss of over 30,000 European jobs in EU industry and across the wider supply chain, in both upstream and downstream industries.

Although the industry remains fragile, anti-dumping duties imposed in 2013 have improved market conditions to preserve European jobs and attract new investment into the Union. The provisional and definitive anti-dumping measures imposed in 2012 and 2013 respectively, led to a small decrease of Chinese market share from 65% in 2012 to 60% in 2017. This testifies to the moderate level of measures, which allowed Chinese imports to maintain their presence in the Union. As a result of the definitive anti-dumping measures imposed in 2013, the sales price of Chinese imports into the Union marginally increased, which allowed the Union industry to compete on a more level-playing field.

The European ceramic industry covers a wide range of products including abrasives, bricks & roof tiles, clay pipes, wall & floor tiles, refractories, sanitaryware, table- & ornamentalware, technical ceramics, expanded clay and porcelain enamel. The industry generates over 200,000 direct jobs and a production value of €30 billion in the EU.

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However, China maintained its dominant position as the main exporter and price-leader of ceramic tableware and kitchenware in the Union. The persistently high Chinese market share keeps the Union industry in a fragile state and still applies pressure on the Union industry's profitability, which remains below the target profit margin established by the European Commission in its original investigation.

Furthermore, rising structural overcapacities in Chinese production of ceramic tableware and kitchenware constitute a threat of recurrence of injurious dumping, should the measures not be renewed. This is evidenced by the fact that the excess capacity in Chinese ceramic tableware and kitchenware production represents **2.8 times the total Union consumption**. FEPF also emphasises that the Union is an important export market for China. In addition, Chinese exports have been subject to various trade defence measures imposed by other third countries, which increases the likelihood that exports to the Union will skyrocket at heavily dumped and injurious prices, should the current anti-dumping measures be allowed to lapse. In accordance with Article 11.2 of the EU Basic Anti-Dumping Regulation ((EU) 2016/1036), the existing anti-dumping duties will remain in force pending the outcome of the expiry review.

Ultimately, FEPF has shown to the European Commission that unfair injurious dumping practices from China still prevail and will significantly increase if anti-dumping duties are not renewed for another period of five years. China's aggressive acquisition of Union market share will cause further and irreparable damage to the ceramic tableware and kitchenware industry in the Union. It is, therefore, essential for the Union to establish a level-playing field in full respect of international trade laws and to send a strong signal to European manufacturers and exporters alike that they will be able to compete fairly on global markets.

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