Ref. Ares(2026)7681804 - 06/08/2026

EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR TRADE AND ECONOMIC SECURITY

Brussels, 6 August 2026

GENERAL DISCLOSURE DOCUMENT

Subject: AD739 - Anti-dumping procedure concerning imports of certain cold-rolled flat steel products originating in India, Japan, Taiwan, Türkiye and Vietnam

OFFICIALS IN CHARGE	
DUMPING TEAM	**INJURY TEAM**
Zuzana Silna, Jana Forstova (Türkiye and Vietnam) Christophe Rabin, Carlo Favaretto (Japan and Taiwan) Kurt Galle, Jose M. H. Martinez (India) Enrique Valerdi Rodriguez (Head of Sector) E-mail: TRADE-AD739-CRF-DUMPING-TURKIYE@ec.europa.eu; TRADE-AD739-CRF-DUMPING-VIETNAM@ec.europa.eu TRADE-AD739-CRF-DUMPING-JAPAN@ec.europa.eu; TRADE-AD739-CRF-DUMPING-TAIWAN@ec.europa.eu; TRADE-AD739-CRF-DUMPING-INDIA@ec.europa.eu;	Begoña Fernandez Fernandez, Pedro Miguel da Cunha Monteiro Alfredo Monge Racho (Head of Sector) E-mail: TRADE-AD739-CRF-INJURY@ec.europa.eu

1. PROCEDURE

1.1. Initiation

(1) On 18 September 2025, the European Commission ('the Commission') initiated an anti-dumping investigation with regard to imports of certain cold-rolled flat steel products ('CRF') originating in India, Japan, Taiwan, Türkiye and Vietnam ('the countries concerned') on the basis of Article 5 of Regulation (EU) 2016/1036 of the European Parliament and of the Council ('the basic Regulation'). It published a Notice of Initiation in the *Official Journal of the European Union*[1] ('the Notice of Initiation').

(2) The Commission initiated the investigation following a complaint lodged on 4 August 2025 by EUROFER ('the complainant'). The complaint was made on behalf of the Union industry of CRF in the sense of Article 5(4) of the basic Regulation. The complaint contained evidence of dumping and of resulting material injury that was sufficient to justify the initiation of the investigation.

1.2. Registration

(3) The Commission made imports of the product concerned subject to registration by Commission Implementing Regulation (EU) 2025/2432 of 3 December 2025 ('the registration Regulation')[2].

1.3. Interested parties

(4) In the Notice of Initiation, the Commission invited interested parties to contact it in order to participate in the investigation. In addition, the Commission specifically informed the complainant, other known Union producers, the known exporting producers and the authorities of India, Japan, Taiwan, Türkiye and Vietnam, as well as known importers, suppliers, users, traders, and associations known to be concerned, about the initiation of the investigation and invited them to participate.

(5) All interested parties had an opportunity to comment on the initiation of the investigation and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings.

(6) On 18 September 2025, Daido Steel Co., Ltd ('Daido'), a Japanese producer of various specialty steel products, including CRF, requested to become an interested party in the investigation, claiming to be a producer of the product under investigation which had exported small amounts in the past and that it intended to resume exports to the EU in the near future. On 2 October 2025, the Commission rejected Daido's request since, according to the reply to the sampling form for exporting producers, Daido did not export the product concerned during the period of investigation. On 9 October 2025, Daido requested the Hearing Officer to intervene so that the Commission's services recognised Daido's status as an interested party, having a clear interest in the outcome of the investigation, and stating its intention to make a product exclusion request. On 4 December 2025, after having explored the matter thoroughly with the Commission services, the Hearing Officer issued a recommendation regarding Daido's request for interested party status. However, the recommendation

[1] Notice of initiation of an anti-dumping proceeding concerning imports of certain cold-rolled flat steel products (CRF) originating in India, Japan, Taiwan, Türkiye and Vietnam. OJ C, C/2025/5025, 18.9.2025, ELI: http://data.europa.eu/eli/C/2025/5025/oj.

[2] Commission Implementing Regulation (EU) 2025/2432 of 3 December 2025 making imports of certain cold-rolled flat steel products originating in India, Japan, Taiwan, Türkiye and Vietnam subject to registration with a view to allowing the levy of anti-dumping duties on the imports subject to registration. OJ L, 2025/2432, 4.12.2025, ELI: http://data.europa.eu/eli/reg_impl/2025/2432/oj.

did not need to be considered because, on 18 February 2026, the Commission services informed Daido that it was found to be related to the sampled exporting producer in Japan Nippon Steel Corporation ('Nippon Steel') and, thus, Daido could make its representations known in the context of the investigation as part of Nippon Steel's group. On 4 March 2026, Daido filed its product exclusion request, which is addressed below in section 2.4.

1.4. Comments on initiation

1.4.1. Claims regarding the particular market situation

(7) At the outset, the Commission noted that the complaint provided sufficient evidence, in the sense of Article 5 of the basic Regulation, of dumping without any particular market situation ('PMS') adjustment to justify the initiation of the investigation. Indeed, as stated in section 3 of the Notice of initiation, the complaint provided sufficient evidence of dumping calculated on the basis of a comparison of the domestic price with the export price (at ex-works level) of the product under investigation when sold for export to the Union, without any adjustments on the account of the PMS alleged by the complainant. The dumping margins resulting from this comparison were significant for all the countries concerned and, as such, constituted sufficient evidence of dumping warranting the initiation of an investigation for all the countries concerned. Also, the provisions of Article 2(3) of the basic Regulation regarding PMS, like all other provisions of that Article, apply to the determination of normal value regardless of the evidence provided in the complaint. Consequently, none of the claims regarding the evidence and allegations of PMS in the complaint can put into question the conclusion with regards to the sufficiency of evidence underlying the initiation of the investigation or the right of the Commission to investigate whether there is a particular market situation in the targeted countries.

1.4.1.1. Claims regarding the 'push-out effect'

(8) The so-called 'push-out effect' is explained in section 3.1.

(9) POSCO VIETNAM Co., Ltd, Ho Chi Minh City ('POSVIET') and Tatmetal Çelik Sanayi ve Ticaret A. Ş., Istanbul ('Tatmetal') alleged that the evidence of PMS included in the complaint with respect to Vietnam and Türkiye was insufficient to constitute *prima facie* evidence within the meaning of Article 5.2 of the WTO Anti-dumping Agreement ('ADA'). POSVIET and Tatmetal referred to the conclusions of the WTO Panel in *Australia – Anti-Dumping Measures on Paper*[3], which held that '[it] follows from the qualifier "particular" that the market situation must be "distinct, individual, single, specific"'. POSVIET further alleged that WTO Panel in *EU – Cost Adjustment Methodologies II (Russia)*[4] stated that the term 'particular' precluded a 'general situation' from qualifying as a particular market situation. POSVIET argued that while a particular market situation did not need to be exclusive to the domestic market of a particular country, it had to be nonetheless a localised phenomenon, i.e. one that manifested within that specific market rather than reflecting a broad or global circumstance. POSVIET and Tatmetal concluded that as the Complainant argued that the Chinese overcapacities quickly fanned out to the rest of the world, it was no longer a situation particular to the domestic markets of the five targeted countries but a

[3] Panel Report, *Australia – Anti-Dumping Measures on A4 Copy Paper*, WT/DS529/R and Add.1, adopted 28 January 2020, DSR 2020:I, p. 261., para. 7.21.

[4] Panel Report, *European Union – Cost Adjustment Methodologies and Certain Anti-Dumping Measures on Imports from Russia (Second Complaint)*, WT/DS494/R and Add.1, circulated to WTO Members 24 July 2020, appealed 28 August 2020, para. 7.180.

diffuse, global trend, which was the type of 'general situation' which WTO Panels excluded.

(10) POSVIET further submitted that the complaint was too general with respect to the product market affected by the alleged push-out effect of Chinese overcapacity, as it referred to 'steel overcapacities (including for CRF) worldwide'. POSVIET submitted that this supposed situation was worldwide and beyond CRF markets, evidenced by complaint's statement that 'global overcapacities have artificially lowered international steel prices worldwide'. POSVIET argued that a market condition affecting such a range of products in most international markets was the very opposite of 'particular'.

(11) Tatmetal further submitted that in the globality of Chinese cold-rolled flat steel products exports, Türkiye was in the top ten countries of exports, but the imports to Türkiye accounted only for 3,5% of Chinese exports of the product under investigation. Tatmetal claimed that Türkiye was not vulnerable to the Chinese imports of cold-rolled flat steel products, given that the PRC was only the third biggest import source. Tatmetal further alleged that the complaint did not provide a causal link between Chinese overcapacities and Turkish pricing behaviour of companies manufacturing the product under investigation and that Tatmetal's financial results undermine the premise of the allegations on push-out effect.

(12) The complaint included information on the surge of Chinese imports of CRF into Vietnam and Türkiye from 2019 to 2024[5]. Moreover, the complaint included information on the Chinese import share in Vietnam's and Turkish overall imports of CRF[6] and on the comparison between price of Chinese imports into Vietnam and Türkiye, Vietnam's and Turkish domestic prices between 2019 and 2024[7] and its effects on Vietnam's and Turkish domestic prices. Moreover, these elements referred also to the investigation period analysed in the complaint (i.e., 2024), to which the financial results of the companies also referred. The complaint included sufficient evidence of a PMS in Vietnamese and Turkish domestic market. Therefore, the Commission dismissed this claim.

(13) The authorities of Taiwan claimed that the evidence of PMS included in the complaint with respect to Taiwan was insufficient to constitute *prima facie* evidence within the meaning of Article 5.2 of the WTO ADA. According to the authorities of Taiwan, most of the evidence submitted to justify the existence of a PMS did not concern the domestic market in Taiwan, as the complainant put forward with respect to Taiwan only the financial results of two steel producers in Taiwan. These financial results referred to the entire company and/or group and did not specifically concern CRF. Moreover, they referred to 2024, whereas the complainant analysed the period 2015-2020 to determine the adjustment to the profitability needed because of the PMS.

(14) The complaint included information on the surge of Chinese imports of CRF into Taiwan from 2019 to 2024[8]. Moreover, the complaint included information on the Chinese import share in Taiwan's overall imports of CRF[9] and on the comparison between price of Chinese imports into Taiwan and Taiwan's domestic prices between

---

5 See the open version of the complaint, table after para. (234), and para. (237).
6 See the open version of the complaint, table after para. (239).
7 See the open version of the complaint, table after para. (241).
8 See the open version of the complaint, table after para. (234), and para. (237).
9 See the open version of the complaint, table after para. (239).

2019 and 2024[10] and its effects on Taiwan's domestic prices. Moreover, these elements referred also to the investigation period analysed in the complaint (i.e., 2024), to which the financial results of the companies also referred. Therefore, the complaint included sufficient evidence of a PMS in Taiwan's domestic market. The benchmark used in the complaint to establish the profitability of steel companies, had Chinese overcapacity not surged the way it did, referred to steel companies in the world, excluding the PRC. Thus, the benchmark referred also to Taiwan's companies. The complainant relied on years 2015, 2017 and 2020, but the data provided included a historical series from 2005 to 2020[11]. These profitability data were used merely as a benchmark to determine the profits achievable by steel companies outside the PRC in a scenario where the PRC's overcapacity did not surge the way it did. Thus, they were solely meant to illustrate a possible profit adjustment and perform a simulation of calculation of a profit in normal market conditions. Therefore, the Commission dismissed this claim.

(15) The authorities of Taiwan also contended that variations in profitability of individual companies were irrelevant for the determination that a PMS existed.

(16) The complainant relied on the profitability of two exporting producers in Taiwan for the dumping calculation, and not as evidence of a PMS. In any case, the Commission considered that the variation over time in profitability of an individual company could indeed constitute sufficient evidence of a PMS for the purpose of the complaint. Therefore, the Commission dismissed this claim.

(17) Furthermore, the authorities of Taiwan claimed that the PMS alleged in the complaint found no legal basis under WTO law, as the Panel in *Australia – Anti-Dumping Measures on Paper* emphasized that a PMS 'is focused on the domestic market' of the country concerned, and not in a different country[12]. According to the authorities of Taiwan, the complaint did not explain why the PMS deriving from the push-out effect of Chinese imports into the countries concerned would only arise in the countries concerned and not in other third countries, including the Union.

(18) The PMS alleged in the complaint with respect to Taiwan is not global overcapacity, nor Chinese overcapacity in general, but rather the push-out effect of Chinese overcapacity which artificially lowered the domestic prices in Taiwan. The complaint thus provided sufficient evidence of PMS specific to Taiwan, as specified in recital (14), as it did for the other four countries concerned. The situation in other third countries, including the Union, was irrelevant for initiation. Therefore, the Commission rejected this claim.

(19) Finally, the authorities of Taiwan claimed that the complaint's methodology of adjusting the profit of domestic producers in Taiwan with out-of-country information from global steel producers was manifestly inconsistent with Article 2.2.2 of the WTO ADA.

(20) The complaint's methodology was based on the fact that the profit achieved by the domestic producers in Taiwan were tainted by the PMS, as the domestic sales data as a whole. Moreover, the information used to make an adjustment were not out-of-country data but rather reflected the actual and hypothetical profit of world companies,

---

[10] See the open version of the complaint, table after para. (241).

[11] See annexes to the open version of the complaint 'OPEN_Annex_CRF_Profit adjustment dumping_16.09.25' and 'OECD_GFSEC_Impacts of global excess capacity..._2024'.

[12] Panel Report, *Australia – Anti-Dumping Measures on Paper*, para. 7.36.

potentially including also depressed and hypothetical profitability of Taiwan's producers. Therefore, the Commission rejected this claim.

(21) The Government of Japan ('GOJ') submitted that the claim that there was a PMS in the Japanese market due to the impact of China's excess capacity lacked any evidence.

(22) The complaint included information on the trend of Chinese imports of CRF into Japan from 2019 to 2024[13]. Moreover, the complaint included information on the share of Chinese imports in Japan's overall imports of CRF[14] and on the comparison between price of Chinese exports to Japan and Japan's domestic prices between 2019 and 2024[15] and its effects on Japan's domestic prices. Therefore, the complaint included sufficient evidence of a PMS in Japan's domestic market. Therefore, the Commission dismissed this claim.

(23) The GOJ, Nippon Steel, JFE Steel Corporation ('JFE') and Kobe Steel, Ltd. ('Kobe') claimed that there was no PMS in Japan as a result of the Chinese push-out effect. In particular, Nippon Steel, JFE and Kobe claimed that, since the complainant alleged that Chinese overcapacities affected all five countries concerned and acknowledged that Chinese steel overcapacity led to Chinese exports to other third countries, global capacity cannot be a PMS which is 'distinct, individual, single, specific' as requested by the Panel in *Australia – Anti-Dumping Measures on Paper*[16]. The fact that overcapacity of CRF is not limited to the Japanese market would be shown by the fact that Japan was not among the top 10 export destinations of Chinese CRF in 2024, accounting for only 2,3% of Chinese exports, according to Comtrade data. They added that the impact was distributed almost evenly across the global economy and is not particular to any one country or group of countries.

(24) The PMS alleged in the complaint with respect to Japan was not Chinese overcapacity in general, but rather the push-out effect of Chinese overcapacity which artificially lowered the domestic prices in Japan. The Commission further noted that the complaint provided sufficient evidence of PMS specific to Japan, as specified in recital (22). The situation in other third countries was irrelevant for initiation. Therefore, the Commission dismissed this claim.

(25) The GOJ and POSVIET argued that the Japanese and Vietnamese markets did not have artificially low prices, and Nippon Steel, JFE, Kobe and POSVIET claimed that the complainant did not provide any evidence that domestic prices were artificially reduced so that firms were incentivised to sell in third countries rather than domestically. In this respect, Nippon Steel, JFE and Kobe reported that the average import price of CRF into Japan and Vietnam was in line, and in fact higher, than the world average in 2024, based on Comtrade data. POSVIET further alleged that the complaint did not address the input materials, but rather the downstream product and that it was economically unsound to consider that prices of CRF in the targeted countries would be artificially low merely because import prices of CRF from China were allegedly artificially low. POSVIET also stressed that the import share of Chinese CRF into the targeted countries was rather low for some countries, between 12% in India and 78% in Taiwan. POSVIET submitted that the import shares were not enough to transmit "artificially low prices" from China to an importing market

13 See the open version of the complaint, table after para. (234), and para. (237).
14 See the open version of the complaint, table after para. (239).
15 See the open version of the complaint, table after para. (241).
16 Panel Report, *Australia –Anti-Dumping Measures on Paper*, para. 7.22.

(26) The complainant provided a comparison between the price of Chinese exports to Japan and Vietnam, and Japan's and Vietnam's domestic prices between 2019 and 2024[17] and information on the share of Chinese imports in Japan's and Vietnam's overall imports of CRF[18], which suggested that Chinese imports exerted pressure on the market. Moreover, the complainant reported that Japan's and Vietnam's steel exports to the Union increased despite the fact that overall steel exports decreased[19]. Therefore, the complainant provided sufficient evidence to demonstrate that Chinese overcapacities artificially decreased domestic prices. Therefore, the Commission rejected this claim.

(27) Nippon Steel, JFE and Kobe contested the analysis of the complainant aimed at showing an increase in Chinese imports into Japan since 2020, despite the exceptional circumstances of that year. According to them, the analysis of the trend should start in 2019 and would show that in 2024 they were still lower than in 2019, based on Japan's statistics.

(28) Nippon Steel, JFE and Kobe relied on an extraction including the imports from the Republic of Korea ('Korea', marked by Japan's statistics code 103) into Japan, rather than from the PRC (marked by Japan's statistics code 105) into Japan. Therefore, the Commission dismissed this claim.

1.4.1.2. Claims regarding the cost-related PMS in Vietnam

(29) The Trade Remedies Authority of Vietnam ('TRAV') alleged that the evidence in the complaint was inaccurate and outdated with regard to the situation of the CRF industry in Vietnam. The TRAV clarified that the Vietnamese government did not participate in the Section 20 of the Canadian report and that the determinations were based on facts available and that the determinations were reversed by two subsequent reviews, in carbon steel welded pipe 3[20] and corrosion-resistant steel 2[21].

(30) The complaint provided evidence of several measures in Vietnam that affected the cost of production in CRF[22]. Therefore, it contained sufficient evidence that there were measures in place that might create a PMS in Vietnam and the Commission rejected the claim. The investigation will determine whether such measures are still in place and their impact on the cost of production in CRF, where appropriate.

1.4.1.3. Claims regarding the proper comparison

(31) POSVIET and Tatmetal recalled the conclusions of the WTO Panel in *Australia – Anti-Dumping Measures on Paper*, which held that the '"proper comparison" language calls for an assessment in respect of the comparison of domestic and export prices' and that such assessment of comparability was distinct from the question of whether a particular market situation existed. Therefore, even if a particular market situation existed *(quod non)*, it could not be presumed that the domestic sales do not permit a proper comparison. With regard to the conclusions of the WTO Panel, POSVIET and Tatmetal submitted that the complaint did not provide evidence to suggest that domestic prices in the targeted countries did not permit a proper comparison.

---

17 See the open version of the complaint, table after para. (241).
18 See the open version of the complaint, table after para. (239).
19 See the open version of the complaint, paras. (398)-(399).
20 CSWP3 2018 IN FD SOR January 31, 2019
21 COR2 2019 IN FD SOR October 30, 2020
22 See section 4.4.1. of the open version of the complaint.

(32) The Commission noted that the complaint provided sufficient evidence that the profits of domestic producers in the five countries concerned were depressed because of the push-out effect of Chinese overcapacity, which artificially lowered domestic prices in those respective domestic markets. The alleged PMS therefore affected only domestic prices thereby not permitting a proper comparison between domestic prices and export sales. The argument was rejected.

(33) The authorities of Taiwan also recalled that, for the purpose of invoking the existence of a PMS, it must be demonstrated that such situation had the effect of rendering domestic sales unfit to permit a proper comparison with the export price. Thus, they claimed that none of the evidence provided in the complaint suggested that the PMS prevented a proper comparison. In fact, according to the authorities of Taiwan, based on the evidence of the complaint all profits realized by steel producers worldwide were affected by the PMS caused by global overcapacity, with the consequence that the PMS would not prevent a proper comparison.

(34) The Commission noted that the complaint provided sufficient evidence that profits of Taiwan's domestic producers were depressed because of the push-out effect of Chinese overcapacity, which artificially lowered domestic prices in Taiwan, not as a consequence of global overcapacity. The alleged PMS therefore affected only domestic prices thereby not permitting a proper comparison between domestic prices and export sales. Therefore, the argument was rejected.

(35) Nippon Steel. JFE and Kobe claimed that the requirement that the PMS, if established, must render domestic sales improper for a comparison with the export price, was not discussed in the complaint.

(36) The Commission noted that the requirement for a proper comparison is recalled in the complaint[23] and supports the construction of the normal value by way of a profit adjustment. Therefore, this claim was rejected.

1.4.1.4. Other claims regarding the particular market situation

(37) The authorities of Taiwan claimed that steel producers in Taiwan were often vertically integrated and, thus, not dependent on Chinese imports of raw materials. This structure allowed Taiwan's industry to remain competitive when faced with third-country imports.

(38) The authorities of Taiwan also claimed Taiwan is a market economy where prices are set according to normal conditions of competition, without government intervention. So, the Commission should rely on domestic prices of CRF, as it did in the latest investigation on imports of certain hot-rolled stainless steel sheets and coils originating, *inter alia*, in Taiwan[24]. The authorities of Taiwan raised the fact that the request and the notice of initiation of the expiry review of these anti-dumping measures, ongoing at the time of the current investigation, did not refer to any PMS in Taiwan, lack of representativity of domestic sales or profit distortions.

(39) In addition, the authorities of Taiwan claimed that a finding of PMS cannot be based on global price phenomena driven by a third country not targeted by the investigation. The authorities of Taiwan raised concerns of compliance with WTO rules of such an interpretation of the notion of PMS, particularly if such an interpretation was not

[23] See the open version of the complaint, paras. (58) and (191).

[24] Commission Implementing Regulation (EU) 2020/508 of 7 April 2020 imposing a provisional anti-dumping duty on imports of certain hot rolled stainless steel sheets and coils originating in Indonesia, the People's Republic of China and Taiwan, OJ L 110, 8.4.2020, p. 3.

supported by clear evidence of State intervention and consequential market distortions specific to Taiwan's market. In this respect, the authorities of Taiwan referred to a precedent where a PMS was associated with identifiable forms of government influence[25], as well as a case where the Commission rejected a claim of existence of PMS in relation to a steel product[26].

(40) In this respect, EUROFER submitted that the decisive factor does not lie in the nature of the situation itself, but in the effect and impact it produces on the market. Concretely, it is not the Chinese overcapacity itself that creates a particular situation, but rather its effect on each of the countries concerned.

(41) Nippon Steel, JFE and Kobe claimed that Japan was not particularly vulnerable to Chinese imports of CRF because the share reported in the complaint was lower compared to that into Taiwan or Vietnam.

(42) Nippon Steel, JFE and Kobe added that the Japanese industry is systematically shielded from the effects of Chinese overcapacity by the trade defence measures imposed by the GOJ and referred to a number of measures and the GOJ's ongoing monitoring.

(43) EUROFER contested this reading stating that such protection had not been sufficient to assuage the concerns of Japan's industry by referring to a number of public statements of representatives of Japanese steel companies and trading houses.

(44) Nippon Steel, JFE and Kobe claimed also that Japan's steel market was structurally insulated from penetration by Chinese imports as a result of consumer requirements for a high-quality product, that the Chinese industry typically does not offer, notably in the Japanese automotive sector, and of the highly-specific manner in which business is done on the Japanese market, characterised by the involvement of trading companies, which developed long-standing and highly defined relationships with the Japanese producers.

(45) Nippon Steel also argued in the sensitive version of its comments that, due to the features of the Japanese market described in recitals (42) and (44), domestic prices in Japan were artificially higher.

(46) Nippon Steel, JFE and Kobe also raised the fact that Japan's industry did not contribute to global overcapacities in the steel sector, as domestic steel capacity in Japan declined between 2019 and 2024, based on Organisation for Economic Co-operation and Development ('OECD') data, in contrast to Vietnam, where capacity increased. Moreover, at international level, the GOJ participated in trilateral discussions with the Union and the United States of America to address the global steel excess capacity and is a longstanding and proactive member of the Global Forum on Steel Excess Capacity ('GFSEC').

(47) The TRAV submitted that the allegation in the complaint that the presence of Chinese cold-rolled flat products in Vietnam at low prices forced domestic cold-rolled flat producers to reduce their domestic selling prices to unsustainable levels in order to compete with the prices of Chinese cold-rolled flat was factually incorrect, as imports

---

25 Panel Report, *EU – Cost Adjustment Methodologies II (Russia)*, para. 7.40.

26 Commission Implementing Regulation (EU) 2025/1919 of 25 September 2025 imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of certain hot-rolled flat products of iron, non-alloy or other alloy steel originating in Egypt, Japan and Vietnam, and terminating the investigation on imports thereof originating in India, OJ L, 2025/1919, 26.9.2025, recitals (132)-(137).

of cold-rolled flat steel products from China into Vietnam are subject to anti-dumping duties since 2020 and that the measures were extended in December 2025.

(48) The GOJ requested that domestic sales and export price be compared appropriately. In this respect, Nippon Steel, JFE and Kobe also argued that, even if the Commission established the existence of a PMS in Japan's market, this would not automatically prevent a proper comparison of the domestic price and of the export price because the push-out of Chinese overcapacity in the steel sector affected both the Japanese and the Union market to the same extent. According to them, this stems from the nature of the alleged PMS, as the overcapacity in the steel sector and, in particular, in China, has worldwide effects and impacts the global economy, as acknowledged by the complainant. To support this, they compared the total volume of imports of CRF into Japan and into the Union, and stated that they were similar. According to them, also the protection from Chinese imports is similar. Japan would be protected by the factors indicated at recitals (42) and (44), whereas the Union by anti-dumping duties on imports of CRF originating, inter alia, in the PRC[27] and by the safeguard measures on certain steel products[28]. However, according to them, these measures have proven ineffective at addressing overcapacity given that Union consumption decreased while the tariff-rate quota volumes have increased through yearly liberalization. This would be confirmed by the Commission's proposal to address the negative trade-related effects of global overcapacity on the Union steel market[29].

(49) On the contrary, EUROFER deemed a proper comparison analysis to be unnecessary in the circumstances of this case, because it is not the same particular market situation which affects the export prices, but a different economic phenomenon (i.e., the effect of Chinese overcapacities on the Union market). In EUROFER's view, dumping exactly consisted of choosing to set export prices at a lower level than normal value prices, economic dynamics on the export markets notwithstanding. Moreover, such a parallel analysis is not carried out by the Commission for other reasons to construct the normal value. For instance, if the Commission considers that all domestic sales are sold at a loss and as such not in the ordinary course of trade, it cannot decide to use actual sales data because all sales on the Union market are also sold at a loss. In EUROFER's opinion, the latter element is irrelevant.

(50) In addition, Nippon Steel, JFE, Kobe and Tatmetal claimed that even if the conditions under Article 2(3) of the basic Regulation were met, the Commission could not disregard the actual profits of Nippon Steel and Tatmetal on its domestic sales in the ordinary course of trade, as per the chapeau of Article 2(6), since Article 2(3) only allowed the Commission to construct the normal value. Indeed, according to them, if there is actual data on production and sales in the ordinary course of trade the Commission must use this data to establish the amount of profit, as explained by the Court in Goldstar v Council[30] and by several WTO rulings[31]. According to them, profit

---

27 Lasty imposed by means of Commission Implementing Regulation (EU) 2022/2068 of 26 October 2022 imposing a definitive anti-dumping duty on imports of certain cold-rolled flat steel products originating in the People's Republic of China and the Russian Federation following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council, OJ L 277, 27.10.2022, p. 149.

28 Commission Implementing Regulation (EU) 2019/159 of 31 January 2019 imposing definitive safeguard measures against imports of certain steel products, OJ L 31, 1.2.2019, p. 27.

29 Proposal for a Regulation of the European Parliament and of the Council addressing the negative trade-related effects of global overcapacity on the Union steel market, COM(2025) 726 final, 7.10.2025.

30 Judgment of 13 February 1992, *Goldstar Co. Ltd v Council of the European Communities*, C-105/90, ECLI:EU:C:1992:69, paras. 35-38.

on actual domestic sales in the ordinary course of trade could be disregarded when constructing the normal value under Article 2(6) of the basic Regulation only in the absence of domestic sales in the ordinary course of trade. In this respect, the Commission could not conflate the ordinary course of trade with a PMS to disregard the profit made on domestic sales in the ordinary course of trade, as the two would be distinct concepts as demonstrated by the use of the term 'or' between them in Article 2(3) of the basic Regulation. Based on NutraSweet v Council[32], Nippon Steel, JFE and Kobe argued that the ordinary course of trade test related to the character of the sales themselves and not to that of the market in which a company operated. Nippon Steel, JFE, Kobe and Tatmetal also referred to Council v Alumina[33]. The fact that this might lead to a constructed normal value equal to the domestic sales prices disregarded because of the PMS would be irrelevant according to Nippon Steel, JFE and Kobe, who referred to Hansol[34].

(51) EUROFER disagreed and considered that the domestic sales in a market affected by a particular market situation would not be in the ordinary course of trade, preventing the Commission from relying on the actual prices. EUROFER also argued that neither Council v Alumina, nor NutraSweet v Council supported the conclusion that the ordinary course of trade test related to the character of the sales themselves and not that of the market in which a company operates.

(52) Nippon Steel reiterated that EUROFER conflated the concepts of ordinary course of trade and PMS, which were distinct in Article 2(3) of the basic Regulation, and that the point that the ordinary course of trade test related to the character of the sales themselves was made clear in NutraSweet v Council[35]. In contrast, Council Regulation (EC) No 1972/2002, which first introduced the concept of PMS in the basic Regulation, indicated that the policy rationale behind the introduction of PMS was a focus on broader, structural conditions within a market, rather than sales by a specific company[36]. Furthermore, Nippon Steel raised the fact that there is no reference to PMS in Article 2(6) of the basic Regulation, which uses instead the term 'ordinary course of trade'. Nippon Steel also claimed that profits of sales made in the ordinary

---

31 Panel Report, *Australia – Anti-Dumping and Countervailing Duty Measures on Certain Products from China*, WT/DS603/R and Add.1, adopted 26 April 2024, paras. 7.115-7.116; Panel Report, *Pakistan – Anti-Dumping Measures on Biaxially Oriented Polypropylene Film from the United Arab Emirates*, WT/DS538/R and Add.1, circulated to WTO Members 18 January 2021, appealed 22 February 2021, paras. 7.147-7.148; Appellate Body Report, *European Communities – Anti-Dumping Duties on Imports of Cotton-Type Bed Linen from India*, WT/DS141/AB/R, adopted 12 March 2001, DSR 2001:V, p. 2049, para. 81; and Appellate Body Reports, *China – Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes ("HP-SSST") from Japan / China – Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes ("HP-SSST") from the European Union*, WT/DS454/AB/R and Add.1 / WT/DS460/AB/R and Add.1, adopted 28 October 2015, DSR 2015:IX, p. 457, paras. 5.25-5.27.

32 Judgment of 3 May 2001, *Ajinomoto Co., Inc. and The NutraSweet Company v Council of the European Union and Commission of the European Communities*, joined cases C-76/98 P and C-77/98 P, ECLI:EU:C:2001:234, para. 38.

33 Judgment of 1 October 2014, *Council of the European Union v Alumina d.o.o.*, C-393/13 P, ECLI:EU:C:2014:2245, para. 30.

34 Order of 13 June 2024, *Hansol Paper Co. Ltd v European Commission*, T-199/23, ECLI:EU:T:2024:388, para. 63.

35 Joined cases C-76/98 P and C-77/98 P, *NutraSweet v Council*, para. 38.

36 Council Regulation (EC) No 1972/2002 of 5 November 2002 amending Regulation (EC) No 384/96 on the protection against dumped imports from countries not members of the European Community, OJ L 305, 7.11.2002, p. 1. rec. (3).

course of trade had to be used, based on the Panel Report in EC – Salmon (Norway)[37]. Nippon Steel argued that, even in cases where sales of a given product are of an insufficient volume to warrant the use of domestic sales, the Commission would still use the profitability of those sales that are in the ordinary course of trade, in accordance with Article 2(6) and PT Musim Mas v Commission[38]. In Nippon Steel's view, this should apply also when disregarding domestic prices because of a PMS and the complainant did not show that domestic sales of Japanese producers were not in the ordinary course of trade.

(53) Furthermore, Nippon Steel, JFE and Kobe claimed that, should the Commission nonetheless decide to have recourse to Article 2(6), subparagraph (c), it would be under an obligation to calculate the profit cap to ensure that it is not exceeded, as recalled by the Panel in EU – Footwear (China)[39] and EU – Biodiesel (Indonesia)[40]. Thus, the Commission should provide interested parties with an indication of what the cap is and how it established it. Finally, they recalled that 'profit normally realized' referred to profits that are regularly or usually realized.

(54) In this respect, EUROFER argued that the Commission should have recourse to subparagraph (c) because subparagraph (a) could not be used because the PMS affected all sales, subparagraph (b) could not be used because the distortive effects of Chinese overcapacities on steel products could apply to a wide range of steel products and no other products resembled closely enough the specificities of CRF.

(55) Nippon Steel responded with comments provided only in the sensitive version relating to possible profits to be applied.

(56) JSW Steel Limited and its related companies ('JSW') disagreed with the complainant that Article 2(3) of the basic Regulation provided a legal basis for adjusting the costs for the calculation of the normal value even if the Commission established a PMS in India. JSW claimed that under the basic Regulation, the existence of a PMS under its Article 2(3), would only allow using the constructed normal value, calculated on the basis of the cost of production, instead of the actual sales prices.

(57) JSW claimed that establishing a PMS in the Indian market in general would not be sufficient and that the Commission would need to demonstrate that JSW was actually affected by the alleged PMS. Furthermore, JSW claimed that it was not affected by any of the alleged PMS.

(58) On iron ore, JSW claimed that there were no export restrictions on iron ore with an iron content below 58% and that the complainant had not demonstrated how any measures in India had depressed the domestic price of iron ore as compared to the export price. JSW also claimed that as regards iron ore with an iron content above 58%, the quantities that JSW had imported were not affected by an eventual PMS. Furthermore, JSW also claimed that the price at which JSW purchased domestic iron with an iron above 58% was in line with the import price. Finally, as regards the captive use of iron ore, JSW claimed that the price it paid was above the market price and that the only benefit for JSW of the captive use was security of supply.

---

[37] Panel Report, *European Communities – Anti-Dumping Measure on Farmed Salmon from Norway*, WT/DS337/R, adopted 15 January 2008, and Corr.1, DSR 2008:I, p. 3, para. 7.298.

[38] Judgment of 2 July 2025, *PT Musim Mas v Commission*, T-176/23, ECLI:EU:T:2025:662, para. 116.

[39] Panel Report, *European Union – Anti-Dumping Measures on Certain Footwear from China*, WT/DS405/R, adopted 22 February 2012, DSR 2012:IX, p. 4585, paras. 7.299-7.300.

[40] Panel Report, *European Union – Anti-Dumping Measures on Biodiesel from Indonesia*, WT/DS480/R and Add.1, adopted 28 February 2018, DSR 2018:II, p. 605, para. 7.51.

(59) On coal, JSW submitted that the complaint did not differentiate between the coking coal which is a direct input in the steel making process and non-coking coal which is used in energy production. JSW claimed that since these two products were not interchangeable and the markets for these two products were distinct, the Commission should disregard the claim that there was a PMS for coal in India. JSW also claimed it imported most of the coking coal it needed since there was insufficient availability of domestic coking coal and its quality was insufficient for steel making. Finally, JSW claimed that JSW's purchase prices of coking coal were comparable with international prices which demonstrated that there was no downward effect on Indian import prices as a result of domestic policy.

(60) On scrap, JSW submitted that the allegation of a PMS on coal was at odds with a PMS on scrap since a PMS on coal would have reduced demand for scrap. JSW claimed that the complainant did not demonstrate how the Indian measures related to scrap, such as the 15% export duty, contributed to lower scrap prices. JSW also claimed that several other countries including the Union had also put in place measures to support the update of scrap and that the complainant had not established how the Indian measures were particular or distinctive, which JSW claimed was necessary for establishing a PMS.

(61) JSW claimed that even if there was a PMS, the Commission should assess if the PMS would allow a proper comparison between domestic and export sales. JSW further claimed that JSW had the same cost of production regardless of whether the product concerned was sold domestically or exported. JSW also claimed that the relevant inputs were inserted into the furnace without distinguishing their source, which is further confirmed by the fact that when producing upstream products such as hot rolled coils, the production lines did not know if the coil would be further converted into CRF or sold as such.

(62) JSW disagreed with the allegations of the complainant that large volumes of Chinese imports of the PUI had depressed prices in the Indian domestic market undermining the ability of Indian producers to sell profitably and that as result, Indian producers had redirected output to the Union market. JSW claimed that this push-out effect alleged by the complainant was not particular to India and did not have demonstrable effects on prices, on trade patterns or on the profitability of Indian producers. JSW further claimed that its profit in the domestic market had not been affected by Chinese overcapacity and that its sales volume remained high both in the domestic and the export markets. As regards prices, JSW claimed that the trend in the domestic market had been similar to the export markets. In addition, JSW submitted that Chinese imports are very low compared to other importing countries (3-12% of the total imports), that Chinese imports only represent 0,2-0,3% of the domestic consumption and that Chinese import trends lag behind domestic consumption trends. Finally, JSW claimed that India had in place trade defence measures against the PUI.

(63) JSW claimed that Article 2(3) of the basic Regulation required that the alleged PMS had to render the domestic price improper for a comparison with the export price. JSW further claimed that these two prices were comparable since India had effective trade defence measures in place against the PUI and unlike many other countries had been experiencing an increased domestic demand.

(64) JSW disagreed with the complaint that if a PMS is established, the Commission could adjust the profit when determining the normal value. JSW claimed that the Commission has no legal basis to disregard the actual profit that JSW made on its

domestic sales for constructing the normal value. Finally, JSW added that even if the Commission were to rely on Article 2(6) of the basic Regulation, the Commission must indicate to interested parties what the cap is and establish it to ensure that the amount of profit used does not exceed the profit normally realised by other exporters or producers on sales of products of the same general category in the domestic market of the country of origin.

(65) The TRAV submitted that, in a recent Union anti-dumping investigation concerning the imports of hot-rolled flat steel products from Vietnam, the Union was not able to establish the existence of distortions of the raw materials. The TRAV alleged that the same conclusion applied to cold-rolled flat steel, as cold-rolled flat steel is produced from hot-rolled steel. The TRAV submitted that the complaint contained legal and factual errors. The TRAV further alleged that Vietnam's policies on mineral exports are designed to ensure sustainable management and efficient utilization of the country's natural resources, in full conformity with national laws and international commitments, such as Article XX of the GATT 1994.

(66) POSVIET also submitted that the Commission concluded in the anti-dumping investigation concerning imports of certain hot-rolled flat steel products ('HRF') originating in Vietnam, Japan, India, and Egypt ('*HRF* investigation')[41] that the existence of a particular market situation in Vietnam could not be established. The TRAV submitted that the majority of hot-rolled flat steel products used by Vietnamese domestic industry is sourced from domestic producers, such as Hoa Phat Dung Quat Steel Corporation of Formosa Ha Tinh Steel Corporation. POSVIET further alleged that, since the complaint in the present investigation was based on the same evidentiary basis, inter alia in respect of domestic prices of coking coal, iron ore and steel scrap, the Commission should also find it insufficient to establish the existence of a particular market situation in Vietnam. POSVIET also referred to the General Court's findings in Biodiesel[42], which addressed the Commission's assessment of Indonesia's Differential Export Tax (DET) system's impact on domestic crude palm oil (CPO) prices and the related conditions to be demonstrated for the distorted prices of raw materials on the domestic market.

(67) With respect to the measures relating to iron ore, steel scrap and coking coal, the TRAV and POSVIET alleged that the complainant did not provide any evidence that these measures effectively resulted in distortions on the domestic market for raw materials and that the mere existence of export taxes or other policy initiatives cannot automatically justify a finding that prices are artificially low. The TRAV and POSVIET also disagreed that vertically integrated companies, the campaign 'Vietnamese people prioritize using Vietnamese products' constituted a particular market situation. The TRAV also refused any involvement in management and price setting of enterprises engaged in the production and export of cold-rolled flat steel products and clarified that the 'Steel Industry Development Strategy to 2030 with a vision to 2050' was terminated in 2018. And lastly, POSVIET disagreed that the fact

41 Commission Implementing Regulation (EU) 2025/1919 of 25 September 2025 imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of certain hot-rolled flat products of iron, non-alloy or other alloy steel originating in Egypt, Japan and Vietnam, and terminating the investigation on imports thereof originating in India, OJ L, 2025/1919, 26.9.2025, ELI: http://data.europa.eu/eli/reg_impl/2025/1919/oj.

42 Cases T-120/14, PT Ciliandra Perkasa v Council and T-121/14, PT Pelita Agung Agrindustri v Council, Judgments of the General Court of 15 September 2016 ("Biodiesel"). See also Cases T-112/14 to T-116/14 and T119/14, Judgment of the General Court of 15 September 2016.

that prices of HRF were artificially low in China, quod non, did not mean that prices of HRF in Vietnam were artificially low merely by virtue of trade.

(68) The comments from interested parties in recitals (37) to (67) were irrelevant for the initiation of the investigation. Indeed, all those comments were about matters that could only be determined during the investigation and not about the evidence in the complaint. Consequently, the Commission took note of them. The Commission's findings in the investigation on all those matters in the investigation are provided, where relevant, under the corresponding sections of this Regulation.

1.4.2. Claims regarding the volume of imports and cumulation

(69) Several interested parties, namely the Government of Türkiye ('GOT'), POSVIET, Nippon Steel & JP, and the Taiwanese corporations, challenged the sufficiency and comparability of import volumes for cumulation.

(70) The GOT and Nippon Steel & JP argued that imports were not significant under Article 5(7) and Article 3(4) of the basic Regulation, citing low or fluctuating market shares. POSVIET similarly claimed that imports were negligible. They also argued that export levels were structurally constrained and that cumulation was inappropriate due to differences in import conditions, product characteristics, and competitive situations.

(71) The Commission considered that, at the stage of initiation, Article 5(3) of the basic Regulation requires sufficient evidence of imports, not a conclusive assessment of their precise impact.

(72) The complaint provides sufficient evidence that imports from the countries concerned entered the Union market in significant volumes and compete with the Union product under similar conditions of competition, as both imported and Union products target the same end-users focusing on similar market segments**,** thereby ensuring direct substitutability.

(73) In addition, there is no indication at this stage that cumulation would distort the injury analysis. On the contrary, the prima facie evidence suggests that the imports concerned are present simultaneously on the Union market and exert concurrent price pressure.

(74) Accordingly, the conditions for cumulation are met at initiation stage. The arguments were therefore rejected.

1.4.3. Claims regarding the absence of injury to the Union industry

(75) Interested parties submitted that the evidence on injury was insufficient or not representative of material injury within the meaning of Article 3 of the basic Regulation. The GOT, Nippon Steel & JP and the Taiwanese corporations argued that in the complaint the Union industry maintained a strong market position, with stable or high market shares, and that indicators such as capacity, production and investment did not show material deterioration. POSVIET submitted that the Union industry remained resilient despite adverse market conditions, including post-pandemic normalisation and increased costs. They also submitted that the complaint did not contain sufficient prima facie evidence regarding several injury indicators, including productivity, return on investment, cash flow, wages, growth and capital-raising ability, and that initiation should therefore not have been warranted.

(76) The Commission recalled that Articles 5(2) and 5(3) of the basic Regulation require only sufficient evidence reasonably available to justify initiation. The complaint contained relevant evidence concerning key injury factors affecting the Union industry, including declining profitability, price pressure and weakening performance indicators. The existence of certain resilient indicators, such as stable market shares, does not preclude a finding of material injury where other indicators show negative developments. The absence of data on all indicators cited by POSVIET therefore did not invalidate the initiation. The arguments were accordingly rejected.

1.4.4. Claims on causation

(77) The GOT, Nippon Steel & JP, the Taiwanese corporations and POSVIET, contested the existence of a causal link between the alleged dumped imports and the injury suffered by the Union industry. They argued that performance deterioration was driven primarily by other factors like declining consumption, increased energy and raw material costs, post-pandemic adjustments and strategic decisions by Union producers.

(78) The Commission recalled that, at initiation stage, Article 5(3) requires only sufficient evidence of a potential causal link, not a definitive determination under Article 3(6) and (7). The complaint provided evidence of simultaneous imports from the countries concerned and deterioration in Union industry performance, including price pressure indicators. Alternative explanations submitted by these parties are relevant for the investigation phase but do not negate a prima facie causal link. The arguments were therefore rejected.

1.4.5. Claims on the level of measures and methodology (target profit, ETS, adjustments)

(79) Several interested parties contested aspects of the calculation of the injury margin and construction of normal value provided in the complaint. They argued that the target profit was excessive and not representative of normal market conditions, and that inclusion of ETS-related costs could result in double counting. The GOT and Nippon Steel & JP further challenged investment-related adjustments and cost allocation methodologies.

(80) The Commission considered that, at initiation stage, the complainant is required to provide reasonable estimations based on available evidence. Methodological determinations, including target profit selection, ETS cost treatment and adjustment methodologies, are complex technical issues subject to verification during the investigation. The arguments raised by the GOT, Nippon Steel & JP, the Taiwanese corporations and POSVIET therefore concern matters that cannot be conclusively assessed at initiation stage and were accordingly rejected.

1.4.6. Claims on raw material distortions

(81) POSVIET submitted that the conditions for the application of Article 7(2a) of the basic Regulation were not met, arguing that Vietnam relied on imported raw materials purchased at international market prices and that no significant distortions were demonstrated. The TRAV further informed that the domestically mined raw materials needed in the production of hot-rolled coils did not meet the requirements of the steel industry and could not, in general, have been used in the manufacturing process of hot-rolled coils.

(82) The Commission recalled that at initiation stage only sufficient evidence is required indicating the existence of significant raw material distortions affecting production

costs in the exporting country and potentially the effectiveness of the lesser duty rule. It noted that the complaint contained such sufficient evidence, including information on relevant market conditions and factors potentially affecting raw material pricing and cost structures in the exporting countries.

(83) The Commission further considered that the assessment of such distortions requires a comprehensive analysis of market structure, pricing conditions, and possible state influence, which cannot be conclusively carried out at initiation stage. The arguments by POSVIET were therefore rejected.

1.4.7. Claims on Union interest

(84) Certain parties, namely the GOT, Nippon Steel & JP, the Taiwanese corporations and BSH Hausgeräte GmbH, submitted that the imposition of measures would not be in the Union interest within the meaning of Article 21 of the basic Regulation. They argued that measures would increase input costs for downstream industries, including automotive, machinery and household appliances sectors, and negatively affect competitiveness, employment and supply chain stability.

(85) The Commission recalled that the Union interest assessment under Article 21 is not conducted at the stage of initiation but only at the stage of provisional or definitive measures. Consequently, the arguments submitted by the GOT, Nippon Steel & JP, the Taiwanese corporations and BSH Hausgeräte GmbH were rejected.

1.5. Sampling

(86) In the Notice of Initiation, the Commission stated that it might sample the interested parties in accordance with Article 17 of the basic Regulation.

Sampling of Union producers

(87) In its Notice of Initiation, the Commission stated that it had provisionally selected a sample of Union producers. The Commission selected the sample on the basis of the highest representative production and sales volumes whilst ensuring a geographical spread. The Commission invited interested parties to comment on the provisional sample, but no comments were received.

(88) As a result, the final sample consisted of three Union producers located in three different Member States. It accounts for more than 24% of the estimated total volume of production and 17% of the estimated sales of the like product on the free market in the Union. The sample is representative of the Union industry.

Sampling of unrelated importers

(89) To decide whether sampling is necessary and, if so, to select a sample, the Commission asked unrelated importers to provide the information specified in the Notice of Initiation.

(90) No unrelated importers provided the requested information and agreed to be included in the sample.

Sampling of exporting producers

(91) To decide whether sampling is necessary and, if so, to select a sample, the Commission asked all exporting producers in India, Japan, Taiwan, Türkiye and Vietnam to provide the information specified in the Notice of Initiation. In addition, the Commission asked the Mission of the Republic of India to the Union, the Mission of Japan to the Union, the Taipei Representative Office in the Union, the

Mission of the Republic of Türkiye to the Union and the Mission of the Socialist Republic of Viet Nam to the Union to identify and/or contact other exporting producers, if any, that could be interested in participating in the investigation.

(92) Four exporting producers in India provided the requested information and agreed to be included in the sample. In accordance with Article 17(1) of the basic Regulation, the Commission selected a sample of one exporting producer on the basis of the largest representative volume of exports to the Union which could reasonably be investigated within the time available. The sampled exporting producer represented [90%-100%] of the estimated total quantity exported to the Union from India in the investigation period. In accordance with Article 17(2) of the basic Regulation, all known exporting producers and the authorities of India were consulted on the selection of the sample. No comments were submitted.

(93) Five companies in Japan provided the requested information and agreed to be included in the sample. However, one of them, Daido, did not report any export sales to the Union during the investigation period. However, later during the investigation, the Commission deemed this company to be related to the sampled exporting producer, as indicated in recitals (206) to (208). Moreover, another one reported '0' for production, production capacity, domestic and export sales during the investigation period and the other years requested in the sampling form, so that it could not be considered a producer in Japan. In accordance with Article 17 (1) of the basic Regulation, the Commission selected a sample of one exporting producer on the basis of the largest representative volume of exports to the Union which could reasonably be investigated within the time available. The sampled exporting producer represented [80%-90%] of the estimated total quantity exported to the Union from Japan in the investigation period. In accordance with Article 17(2) of the basic Regulation, the Commission consulted all known exporting producers and the authorities of Japan on the selection of the sample. No comments were submitted.

(94) Three exporting producers in Taiwan, belonging to two groups, provided the requested information and agreed to be included in the sample. In accordance with Article 17 (1) of the basic Regulation, the Commission selected a sample of two exporting producers, belonging to one group, on the basis of the largest representative volume of exports to the Union which could reasonably be investigated within the time available. The sampled exporting producers represented [60%-70%] of the estimated total quantity exported to the Union from Taiwan in the investigation period. In accordance with Article 17(2) of the basic Regulation, the Commission consulted all known exporting producers and the authorities of Taiwan on the selection of the sample. No comments were submitted.

(95) Six exporting producers in Türkiye provided the requested information and agreed to be included in the sample. In accordance with Article 17(1) of the basic Regulation, the Commission selected a sample of two exporting producers on the basis of the largest representative volume of exports to the Union which could reasonably be investigated within the time available. The sampled exporting producers represented [50-60]% of the estimated total quantity exported to the Union from Türkiye in the investigation period. In accordance with Article 17(2) of the basic Regulation, all known exporting producers and the authorities of Türkiye were consulted on the selection of the sample. No comments were submitted.

(96) Three exporting producers in Vietnam provided the requested information and agreed to be included in the sample. In accordance with Article 17(1) of the basic Regulation, the Commission selected a sample of one exporting producer on the basis of the largest representative volume of exports to the Union which could reasonably be investigated within the time available. The sampled exporting producer represented [80-90]% of the estimated total quantity exported to the Union from Vietnam in the investigation period. In accordance with Article 17(2) of the basic Regulation, all known exporting producers and the authorities of Vietnam were consulted on the selection of the sample. No comments were submitted.

1.6. Questionnaire replies and verification visits

(97) As announced in the Notice of Initiation, the Commission sent specific questionnaires to investigate the allegations of PMS due to the push-out effect created by Chinese imports to the authorities of all the countries concerned. These questionnaires requested information that the Commission considered necessary to investigate the alleged push-out effect, such as for example the volumes, prices and market shares of imports and domestic sales in the countries concerned. Such information was requested for the period from 1 January 2022 to 30 June 2025, the same period used for the determination of dumping and injury in the investigation (see recital (101)). The Commission also sent specific questionnaires to investigate the allegations of PMS due to measures on specific inputs for CRF to the Governments of India and Vietnam.

(98) Furthermore, the complainant provided in the complaint sufficient evidence of potential raw material distortions in India and Vietnam regarding the product concerned. Therefore, as announced in the Notice of Initiation, the investigation covered those alleged raw material distortions to determine whether to apply the provisions of Article 7(2a) and 7(2b) of the basic Regulation with regard to India and Vietnam. For this reason, the Commission sent additional questionnaires in this regard to the Governments of India and Vietnam.

(99) The Commission sent questionnaires also to the sampled Union producers, the sampled exporting producers, the known unrelated importers and users. The same questionnaires were made available online[43] on the day of initiation.

(100) The Commission sought and verified all the information deemed necessary for a determination of dumping, resulting injury and Union interest, as well as for the determination of the existence of PMS, as well as raw material distortions within the meaning of Article 7(2)(a) of the basic Regulation. Verification visits pursuant to Article 16 of the basic Regulation were carried out at the premises of the authorities of all the countries concerned and of the following companies:

Union producers:

- ArcelorMittal, Gent, Belgium
- ArcelorMittal, Asturias, Spain
- Thyssenkrupp Steel Europe AG, Duisburg, Germany

Exporting producers in India

- JSW Steel Limited, Mumbai

[43] https://tron.trade.ec.europa.eu/investigations/case-view?caseId=2812

– JSW Steel Coated Products Limited, Mumbai

Exporting producer in Japan

– Nippon Steel Corporation, Tokyo

Related traders

– Marubeni-Itochu Steel Inc., Tokyo, Japan

– Metal One Corporation, Tokyo, Japan

– Nippon Steel Trading Corporation, Tokyo, Japan

– Sumitomo Corporation Global Metals Co., Ltd., Tokyo, Japan

– Steel Center Co., Ltd., Tokyo, Japan

– NST Coil Center Co., Ltd., Tokyo, Japan

Related importers in the Union

– Marubeni-Itochu Steel Europe GmbH, Düsseldorf, Germany

– Nippon Steel Trading Austria GmbH, Vienna, Austria

Exporting producers in Taiwan

– China Steel Corporation, Kaohsiung

– Chung Hung Steel Corporation, Kaohsiung

Related trader

– China Steel Structure Co., Ltd., Kaohsiung, Taiwan

Exporting producers in Türkiye

– Borçelik Çelik Sanayi Ticaret A.Ş., Bursa

– Tatmetal Çelik Sanayi ve Ticaret A. Ş., Istanbul

Related trader

– ArcelorMittal Çelik Ticaret A.Ş., Istanbul, Türkiye

Related importers in the Union and/or suppliers of raw materials (online remote cross-checks were performed)

– ArcelorMittal Flat Carbon Europe S.A., Luxembourg, Luxembourg

– Bamesa Oţel, S.A., Topoloveni, Romania

Exporting producer in Vietnam

– POSCO VIETNAM Co., Ltd, Ho Chi Minh City

Related processing centre and trader

– POSCO Vietnam Processing Center Joint Stock Company, Phuoc An, Vietnam

Related trader

– POSCO International Corporation, Seoul, Republic of Korea

Related supplier of raw materials

– POSCO Co. Ltd., Seoul, Republic of Korea

Related importer in the Union

– POSCO INTERNATIONAL Deutschland GmbH, Eschborn, Germany

1.7. Investigation period and period considered

(101) The investigation of dumping and injury covered the period from 1 July 2024 to 30 June 2025 ('the investigation period'). The examination of trends relevant for the assessment of injury covered the period from 1 January 2022 to the end of the investigation period ('the period considered').

2. PRODUCT UNDER INVESTIGATION, PRODUCT CONCERNED AND LIKE PRODUCT

2.1. Product under investigation

(102) The product under investigation (or 'CRF') is flat-rolled products of iron or non-alloy steel, or other alloy steel but excluding stainless steel, of all widths, cold-rolled (cold-reduced), not clad, plated or coated and not further worked than cold-rolled (cold-reduced), but not including:

— flat-rolled products of iron or non-alloy steel, of all width, cold-rolled (cold-reduced), not clad, plated or coated, not further worked than cold-rolled, whether or not in coils, of all thickness, electrical,

— flat-rolled products of iron or non-alloy steel, of all width, cold-rolled (cold-reduced), not clad, plated or coated, in coils, of a thickness of less than 0,35 mm, annealed (known as 'black plates'),

— flat-rolled products of other alloy steel, of all width, of silicon-electrical steel, and

— flat-rolled products of alloy steel, not further worked than cold-rolled (cold-reduced), of high-speed steel.

(103) CRF products are used in a wide variety of applications, including the automotive industry, household appliances, construction materials, industrial machinery, electrical equipment, metal furniture, storage systems, tubes and pipes, and other downstream manufacturing applications requiring high-quality surface finish and dimensional precision.

2.2. Product concerned

(104) The product concerned is the product under investigation originating in India, Japan, Taiwan, Türkiye or Vietnam, currently classified under CN codes ex 7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, ex 7209 18 99, ex 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7211 23 30, ex 7211 23 80, ex 7211 29 00, 7225 50 80, 7226 92 00 (TARIC codes 7209 15 00 90, 7209 18 99 90, 7209 25 00 90, 7211 23 80 19, 7211 23 80 95, 7211 23 80 99, 7211 29 00 19, 7211 29 00 99).

2.3. Like product

(105) The investigation showed that the following products have the same basic physical chemical and technical characteristics as well as the same basic uses:

– the product concerned when exported to the Union;

– the product under investigation produced and sold on the domestic market of countries concerned; and

– the product under investigation produced and sold in the Union by the Union industry.

(106) The Commission decided that those products are therefore like products within the meaning of Article 1(4) of the basic Regulation.

2.4. Claims regarding product scope

(107) Daido submitted a product exclusion request for DF42N, MENPD, and MAS1C (collectively, 'Daido Functional Alloys'). Daido claimed that those alloys should be excluded because they had different end-uses, manufacturing processes, distribution channels and prices than 'general CRF'. It further argued that the exclusion would be justified because the Daido Functional Alloys would fall within category 09 of the product control number ('PCN'). According to Daido, Categories 01–08 correspond to recognized CRF families defined by EN standards and used in mainstream automotive, appliance, and construction supply chains, whereas category 09 functions as a residual class for materials that do not meet CRF-specific mechanical or surface criteria.

(108) Daido provided no evidence whatsoever demonstrating that the Daido functional alloys do not share the same basic technical, chemical and physical characteristics of CRF. Indeed, their alloys were still manufactured from the same raw materials and following essentially the same process. The resulting product would still be CRF. The specific final use, distribution channel or final price were irrelevant to justify a product exclusion.

(109) The fact that the product belonged to category 09 of the PCN as Daido submitted did not justify an exclusion either. To the contrary, such a fact confirmed that it was indeed the product under investigation, with the same basic physical, technical and chemical characteristics as the CRF that would be classified in other categories of the PCN, and also that the investigation covers different product types for different applications.

(110) On those grounds, the Commission rejected the claim.

(111) Czech Blades s.r.o., a CRF user, requested that certain cold-rolled steel strips with specific technical characteristics were excluded from the scope of the measures. The user claimed that these products are manufactured to highly specialised technical specifications for a niche downstream application, that they are not available from Union producers, and that imports are therefore driven by technical necessity rather than price considerations. The user further argued that the products are not interchangeable with other cold-rolled steel products and that the imposition of measures would adversely affect its downstream operations.

(112) The Commission rejected this request. The evidence submitted was insufficient to demonstrate that the products concerned have different technical, chemical and physical characteristics warranting exclusion from the scope of the measures or that products meeting the required technical characteristics, or technically interchangeable products, are unavailable from Union producers. The information provided did not contain sufficiently complete, consistent and verifiable evidence to substantiate these claims.

(113) Furthermore, the investigation established that products meeting the claimed technical characteristics, or technically interchangeable products, are manufactured by the Union industry. The investigation therefore did not confirm the user's claim that the products concerned could not be sourced from Union producers.

(114) Finally, the supporting information underlying the request was submitted only at a very late stage of the investigation. At that stage, the Commission was no longer in a position to carry out the necessary verification or to further investigate the assertions made. Consequently, the information could not be taken into account for the purposes of establishing whether the conditions for excluding the products from the scope of the measures were fulfilled.

3. DUMPING

3.1. Particular market situation: push-out effect of Chinese overcapacity

3.1.1. The push-out effect as a particular market situation under Article 2(3) of the basic Regulation

(115) For the purposes of this investigation, the Commission relied on the definition of overcapacity employed by the Global Forum on Steel Excess Capacity (‘GFSEC’)[44]: overcapacity is the gap between production capacity and demand. The complainant also followed such definition.

(116) The complainant submitted that the CRF overcapacity in the People’s Republic of China (‘PRC’) pushed Chinese exports of CRF at low prices into the markets of all the countries concerned. The pressure of such exports would depress the prices of the domestic producers in the countries concerned to unsustainable levels. Therefore, sales prices of CRF in the countries concerned would be artificially low. In turn, such prices would lead to artificially low profits for the domestic CRF producers in the countries concerned when selling in their domestic markets.

(117) As a consequence, the complainant argued that the normal value should be constructed in line with Article 2(3) of the basic Regulation and the actual profit data should be replaced to remove the effect of the particular market situation.

3.1.2. Steel overcapacity in the PRC in general

(118) According to the complaint, while steel overcapacity is a global issue, the PRC is the original and most important source of overcapacity. As of 2024, the PRC held 47% of the world’s crude steel capacity, corresponding to 1 173 millions of metric tonnes[45].

(119) The complainant explained that the steel overcapacity in the PRC is not of a short-term nature due to a drop in demand, but rather of structural nature whereby, following the governmental policies, the creation of new production capacity in the PRC is disconnected from the expected demand. According to the OECD, while the former results from normal fluctuations in the business cycle, the latter refers to excess capacity that is due to subsidies and other forms of government support[46].

(120) More broadly, the GFSEC noted that overcapacity leads to oversupply of steel on international markets and depressed steel prices, as well as lower market shares and

[44] https://www.steelforum.org/

[45] GFSEC, *Steel exports, trade remedy actions and sources of excess capacity*, May 2024, p. 6, available at: https://www.steelforum.org/content/dam/steel-forum/en/publications/gfsec-steel-exports-trade-remedy-actions-and-sources-of-excess-capacity_0525.pdf.

[46] OECD Trade Policy Paper, *Measuring distortions in international markets: Below-Market finance*, May 2021 n°247, https://www.oecd.org/content/dam/oecd/en/publications/reports/2021/05/measuring-distortions-in-international-markets-below-market-finance_ef463ae3/a1a5aa8a-en.pdf.

capacity utilisation rates for domestic steel producers in third countries that operate under market conditions[47].

(121) Against this background, the Commission own analysis of the Chinese steel industry confirmed the existence of a significant overcapacity in the steel sector in the PRC at least since 2014, thereby confirming its structural nature[48]. Moreover, past Commission investigations showed that the intervention of the Government of the People's Republic of China ('GOC') in the steel sector created significant market distortions[49]. In addition, publicly available research also shows that the support granted at various levels by the GOC to steel companies indicates that the steel market in China does not operate under normal market forces[50].

3.1.3. CRF overcapacity in the PRC in particular

(122) With specific regard to CRF, the complainant showed that the Chinese CRF capacity was out of step with domestic demand. Indeed, as Chinese CRF demand between 2022 and 2024 remained stable and constantly below capacity, the tandem mill capacity consistently increased[51].

(123) The Commission, in its anti-dumping investigation on imports of CRF originating, inter alia, in the PRC[52], had already found that in 2020 the total Chinese capacity of CRF was more than 120 million tonnes, while production and Chinese consumption in 2020 were both estimated at 100 million tonnes, resulting in a spare capacity estimated at 20 million tonnes in 2020. Based on the data in the complaint, in 2024 Chinese capacity increased further by 12% compared to 2019 and by 9% compared to 2021[53]. At the same time, domestic demand increased by only 3% compared to 2019 and even decreased by 2% compared to 2021[54]. No interested party challenged such data.

(124) This increase in overcapacity was largely due to the financing plans of the GOC in response to the global financial crisis of 2008-2009[55]. Since Chinese overcapacity is supported extensively by GOC's interventions, when domestic demand stalls, as for example in the aftermath of the Covid-19 pandemic due to the crisis of the construction sector, the Chinese market is affected by oversupply[56].

---

47 GFSEC, *Impacts of global excess capacity on the health of GFSEC steel industries*, March 2024, p. 5, available at: https://www.steelforum.org/content/dam/steel-forum/en/publications/gfsec-impacts-of-global-excess-capacity_0325.pdf.

48 Commission staff working document on significant distortions in the economy of the People's Republic of China for the purposes of trade defence investigations, Section 14.6. Overcapacity, p. 408 et seq., available at https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2024)91&lang=en.

49 Notably Commission Implementing Regulation (EU) 2022/2068, as well as Commission Implementing Regulation (EU) 2020/508 of 7 April 2020 imposing a provisional anti-dumping duty on imports of certain hot rolled stainless steel sheets and coils originating in Indonesia, the People's Republic of China and Taiwan, OJ L 110, 8.4.2020, p. 3.

50 Trade Policy Hub & LSE Consulting, Research into market distortions in the steel sector, The London School of Economics and Political Science, 20245, available at: https://www.lse.ac.uk/business/consulting/assets/documents/Research-into-Market-Distortions-in-the-Steel-Sector.pdf,

51 Sources: WV Stahl, Plantfacts, MetalSpans as provided from clients.

52 Last imposed by means of Commission Implementing Regulation (EU) 2022/2068.

53 Sources: WV Stahl, Plantfacts, MetalSpans as provided from clients.

54 *Idem*.

55 GFSEC, *Steel exports, trade remedy actions and sources of excess capacity*, cit., p. 6.

56 Credendo, *China's ongoing construction crisis drives global steel prices down*, 28 August 2024, available at: https://credendo.com/en/knowledge-hub/steel-sector-global-steel-prices-under-pressure-amid-chinas-real-estate-downturn and CTECH, *The iron curtain falls: China steel exports surge amid domestic crisis*, 3 September 2024, https://www.calcalistech.com/ctechnews/article/sxv9qbfq2.

3.1.4. The consequence of Chinese overcapacity on prices

(125) The complainant showed that the combined result of increasing CRF capacity and decreasing CRF demand was a decrease in prices of CRF in the PRC. In CNY, the price of cold-rolled carbon steel in the PRC decreased between 2022 and 2024[57].

(126) Therefore, Chinese steel producers were forced to export their excess production at the low prices resulting from overcapacity[58].

(127) Indeed, overcapacity in China has caused a surge of exports and depression of steel prices world-wide, and hence destabilised global steel markets. As a consequence, measures, including trade defence investigations, against Chinese steel imports, continued to increase in recent years[59].

(128) The Commission collected evidence in this respect in the course of the investigation, notably through the questionnaire reply and the verification of the authorities of the countries concerned. Such evidence showed that also the countries concerned were aware of the harmful effects of Chinese overcapacity and many of them took measures to counter it, as explained in the relevant sections.

(129) While an analysis of the import volume and prices in each country concerned is included in the relevant sections, at this stage the Commission noted that, since Chinese domestic prices were affected by the overcapacity, Chinese import prices into the country concerned represented the externalisation of such Chinese overcapacity.

(130) More specifically, in its anti-dumping investigation on imports of CRF originating, inter alia, in the PRC[60], the Commission concluded that domestic sales prices of CRF in the PRC were affected by significant distortions within the meaning of Article 2(6a) of the basic Regulation[61].

(131) This conclusion was reached also based on the fact that '[t]he market of CRF [in the PRC] is served to a significant extent by enterprises which operate under the ownership, control or policy supervision or guidance of the PRC authorities'[62].

(132) With regard to the prices in the markets of the countries concerned, which would be depressed due to the pressure of Chinese prices affected by overcapacity, the complainant explained that they would be artificially low because the level of the Chinese import prices is not based on market considerations. According to the complainant, since companies are so profoundly subsidised, they can accumulate years of losses and not reduce capacity.

(133) The Commission, in the relevant sections below, reached a conclusion in this respect for each of the countries concerned, in view of the respective imports from the PRC and their level of prices.

---

57 Souce: Fastmarkets and Argus databases.

58 GFSEC, *Global excess capacity and employment in steel and downstream activities*, March 2025, p. 9, available at: https://www.steelforum.org/content/dam/steel-forum/en/publications/GFSEC-Employment_and-excess-capacity_31_jan_2025-(002)_250305_1015.pdf.

59 Commission staff working document on significant distortions in the economy of the People's Republic of China for the purposes of trade defence investigations, Section 14.6. Overcapacity, p. 408 et seq., available at https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2024)91&lang=en.

60 Lasty imposed by means of Commission Implementing Regulation (EU) 2022/2068.

61 Commission Implementing Regulation (EU) 2022/2068, rec. (78).

62 Commission Implementing Regulation (EU) 2022/2068, rec. (62).

3.1.5. *The consequence of Chinese overcapacity on profits*

(134) The complainant explained that artificially low prices imply lower profits. In this respect, it reported evidence of the deteriorating profitability of Chinese steel producers in 2024[63] and of the fact that domestic steel prices and Chinese export prices were lower than the cost of production[64].

(135) As a consequence of the entry of Chinese imports affected by overcapacity, according to the complainant, prices in the markets of the countries concerned would be pushed down and domestic steel producers could no longer sell the same volumes, thereby reducing capacity utilisation. As a result, fixed costs skyrocket, which further depresses profits. Ultimately, domestic producers would no longer be able to invest, becoming less innovative and less efficient[65].

(136) In conclusion, the complainant submitted that domestic steel producers outside the PRC achieved profits lower than the profits they would have achieved had the Chinese overcapacity not surged the way it did[66]. The complainant also provided profitability data of CRF producers in the countries concerned. The findings of the investigation in this regard are presented in the relevant sections below.

(137) The Commission, in the relevant sections below, reached a conclusion in this respect for each of the countries concerned, in view of the respective imports from the PRC and their level of prices.

3.2. India

3.2.1. *Particular market situation due to the push-out effect caused by Chinese imports*

(138) In order to assess the existence of a PMS in the Indian market due to the push-out effect caused by Chinese imports of CRF, the Commission first analysed the degree of penetration of Chinese imports in the Indian domestic market for CRF in terms of volume.

(139) The Commission compared the volume of Chinese imports of CRF with India's consumption. The Commission relied on production data, import data and export data submitted by the GOI as part of the reply to the questionnaire and which the Commission had verified on spot. The Commission estimated the consumption of CRF in India as total production plus imports and minus exports.

Table 1 — Consumption in India (tonnes)

	2022	2023	2024	Investigation period

[63] The Economist, *Chinese overcapacity is crushing the global steel industry*, 17 September 2024, available at: https://www.economist.com/business/2024/09/17/chinese-overcapacity-is-crushing-the-global-steel-industry.

[64] Fastmarkets, China's steelmaking losses incentivize global rebalancing, 23 June 2025, available at: https://www.fastmarkets.com/insights/chinas-steelmaking-losses-incentivize-global-rebalancing/ and GFSEC, *Global excess capacity and employment in steel and downstream activities*, cit., pp. 16-17.

[65] GFSEC, *Global excess capacity and employment in steel and downstream activities*, cit., pp. 3, 5, 8 and 13, and GFSEC, *Impacts of global excess capacity on the health of GFSEC steel industries*, cit., pp. 11-12.

[66] GFSEC, *Impacts of global excess capacity on the health of GFSEC steel industries*, cit., pp. 18-20, notably Figure 3.

Consumption in India (estimated)	18 322 098	19 390 835	21 708 857	21 178 934
All imports	537 448	509 192	525 511	440 782
Imports from China	17 681	23 269	63 775	52 992
Market share all imports (%)	2,93%	2,63%	2,42%	2,08%
Market share imports from China (%)	0,10%	0,12%	0,29%	0,25%
Source: Government of India, own calculations				

(140) Between 2022 and the investigation period, the market share of Chinese imports increased from 0,10% to 0,25%. On this basis, the Commission considered that the Chinese import volumes into India were insignificant in relation to consumption and too low to have caused a push-out effect.

(141) Therefore, the Commission concluded that the Indian domestic market was not affected by a particular market situation resulting from Chinese imports due to overcapacity in the steel sector in the PRC.

3.2.2. Particular market situation due to measures on inputs

3.2.2.1. Introduction

(142) The complainant alleged that there was a PMS pursuant to Article 2(3) of the basic Regulation on the Indian steel market. The allegations were made in relation to:

- iron ore including captive mining
- coal including captive mining
- steel scrap
- vertical integration of Indian steel producers

(143) The Commission investigated the allegations in the complaint and the comments received on initiation from JSW, the only sampled Indian exporting producer, which were summarised in recitals (56) to (64). The Commission also assessed the replies to the questionnaires submitted by GOI and by JSW, which had been verified on spot, as indicated in recital (97).

(144) On the basis of the replies to the questionnaires, verification visits and submissions received, the Commission dismissed the allegations in the complaint on the existence of a particular market situation regarding coal, steel scrap and vertical integration of Indian steel producers because there were insufficient elements on file confirming these allegations in the context of this investigation. By contrast, the Commission investigated whether the allegations in the complaint concerning iron ore, including captive mining, were well founded and whether there was a particular market situation affecting the domestic prices of CRF as a result.

3.2.2.2. Existence of distortions in the iron ore market

3.2.2.2.1. Introduction

(145) The Commission established in this investigation that HRF was the main input for producing CRF which required iron ore for its production. The Commission also established that, since JSW had a vertically integrated manufacturing process, the CRF produced from HRF had been produced using iron ore. Iron ore used in the production of HRF originated from one or several of the following three sources: i) domestic purchase of iron ore; ii) iron ore directly mined by the exporting producer and iii) imported iron ore.

(146) The Commission established that the following measures implemented by the GOI were artificially lowering the price of iron ore sourced domestically for the production of the product concerned:

- GOI interference in the domestic iron ore market;
- GOI induced distortions in captive mining of iron ore for steelmaking;
- Export tax on iron ore with an iron content above 58%;
- Restrictions to domestic rail transport of iron ore aimed at exports.

(147) The Commission analysed each of these measures and their impact on the price of iron ore used for the production of CRF.

3.2.2.2.2. GOI interference in the domestic Indian iron ore market

(148) The Commission investigated the role of the GOI in the domestic iron ore market and the effects of the GOI legislation and policies on the supply and price of iron ore. The Commission noted that one of the objectives of the 2017 National Steel Policy[67] as officially communicated by the Government of India after approving it[68] was to make available ample supply of iron ore domestically for the benefit of the downstream production of steel, which therefore included CRF. The Commission analysed how these GOI policies affected the price formation of iron ore for domestic sales in the Indian market and how they impacted the domestic market structure and the supply of iron ore for the steel producers.

(149) The GOI explained, as confirmed by the 2016 Mineral Concession Rules[69], that the Indian Bureau of Mines (IBM), which was a subordinate office under the Ministry of Mines, published monthly benchmark prices for several minerals including all sales of iron ore, which comprised those used for the production of CRF. The GOI added that companies selling iron ore must report monthly to IBM the volume and value of iron ore sold to all their customers. The IBM collected all the data and published a benchmark price resulting from the weighted average of all the sales reports for each type and grade of iron ore for each relevant region in India.

(150) With regard to the market structure, two State Owned Enterprises (‘SOEs’), namely the National Mineral Development Corporation (‘NMDC’) and the Odisha Mining Corporation ‘(OMC’), made up for a substantial share of all the iron ore sold on the Indian market. Iron ore mines in India are owned by the State which may in turn grant

---

67 https://static.investindia.gov.in/National%20Steel%20Policy.pdf

68 https://www.pib.gov.in/newsite/PrintRelease.aspx?relid=161491&reg=3&lang=2

69 https://ibm.gov.in/writereaddata/files/17714807906996a6d62cf4fMCR_2016_amended_upto_January_2026.pdf

a concession to operators to exploit them. The Commission investigated how the pricing of these mining rights for the different companies worked, and whether the mechanism of collecting prices for all sales via the Indian Bureau of Mines ('IBM')[70] affected the domestic price of iron ore. The GOI explained that a reform in 2015 of the Law on Mines and Minerals Development and Regulation[71] required the State to grant exploitation rights of iron ore mines through auctioning. The GOI further indicated that NMDC and OMC were exploiting mines that had not been subject to auctioning as they had acquired their mining rights well before the 2015 reform had been implemented, thereby called 'legacy mines'.

(151) The Commission sought to gather all other relevant information concerning the legacy mines, including their ownership and management, the pricing and the conditions of their mining rights. The GOI submitted only very limited information and provided little clarification on the information sought by the Commission. In particular, the GOI did not submit the cost reports for NMDC and OMC despite repeated requests from the Commission, as well as detailed information regarding the remuneration, duration and conditions for legacy mines and hence the impact of their market dominance on the formation of domestic prices. The Commission sent a letter to the GOI based on Article 18(4) of the basic Regulation on 15 June 2026 detailing all the information missing and the intention to base its decision on facts available.

(152) The GOI replied on 25 June 2026 and claimed that it had cooperated fully with the investigation. Furthermore, the GOI alleged that if the Commission considered the information insufficient, it should have addressed it during the verification visit. Finally, the GOI submitted additional information on the issues raised in the Commission's letter.

(153) The Commission disagreed and considered that the information that the GOI had submitted prior to the Article 18(4) letter was insufficient to carry out its assessment. Furthermore, the Commission considered that the purpose of the verification visit was not to obtain information requested that was not submitted but instead to verify the information that had actually been submitted.[72] As regards the additional substantive information submitted by the GOI, which had all been marked by the GOI as sensitive, the Commission did not consider that it changed its assessment and concluded that GOI should assess the Commission's findings following disclosure to establish if its comments were relevant and applicable.

(154) Pursuant to Article 18 of the basic Regulation, in light of the non-cooperation by the GOI, the Commission had to resort to facts available to draw conclusions on the price formation of domestic iron ore, namely with regard to the pricing and conditions for the mining rights under the system prior to 2015, their costs and prices of iron ore also as compared to the remaining market players other than the legacy mines, including JSW's own production of iron ore.

(155) On 31 July 2023 the Institute for Studies in Industrial Development ('ISID') as a part of the advocacy initiative of the Competition Commission of India published a study on competition in the mining sector with a focus on iron ore[73]. The report confirmed

---

[70] https://mines.gov.in/webportal/content/ibm

[71] https://www.pib.gov.in/newsite/printrelease.aspx?relid=114589&reg=48&lang=2

[72] See for instance Judgment of 22 September 2021, *Severstal v Commission*, T-753/16, ECLI:EU:T:2021:612, para. 122.

[73] https://cci.gov.in/images/marketstudie/en/market-study-on-dynamics-of-competition-in-the-mining-sector-in-india-with-a-focus-on-iron-ore1704108440.pdf

that the two biggest players (NMDC and OMC) were largely the price makers of the IBM price and that the rest of the market players were price takers. The information submitted by GOI indicated that most of the mines operated by these two players were legacy mines. Furthermore, legacy mines operated by State companies such as NMDC and OMC had to pay 150% of the royalty payable, that is, 22.5% of the IBM price (150% of 15%). The Commission noted that this rate was significantly lower than the rates paid by JSW for the mines they were allocated after the year 2015 via auctioning. The Commission established on the basis of these sources that taking into account the significant market share and the low prices offered by the legacy mines, mainly due to the granting of mining rights by the GOI not subject to auctioning and the fact that these companies are owned and managed by the GOI, NMDC and OMC were the price makers of the IBM price and the other companies had to follow this price. The Commission concluded that, if NMDC and OMC had had to compete with other operators through auctioning for the right to exploit their legacy mines, these two companies would have had significantly higher costs and therefore would have had to sell at significantly higher prices to remain profitable.

(156) The Commission confirmed these findings on the basis of additional elements contained in the file. First, the data provided by JSW and verified by the Commission confirm the finding that IBM prices were artificially low. Due to confidentiality reasons, the Commission's reasoning was disclosed specifically to JSW. Second, since levies such as concession rights and royalties were pegged to the IBM price, the pricing mechanism contained an inherent incentive for all domestic suppliers of iron ore to conform their prices to the IBM price (and therefore that of legacy mines) to minimise the amount paid in levies such as royalties and concession rights, thereby keeping the price of domestic iron ore artificially low.

(157) In addition, the Controller and Auditor General of India of the Government of Odisha, which is an Indian public body, recommended in 2024 to the GOI, following an audit[74], to investigate the reporting of low ex-mine prices by lessees, to ascertain whether this was being done deliberately in order to reduce the average sale price and, consequently, the royalty and premium payable.

(158) Finally, the Commission noted two additional indicators showing that GOI policies were delivering on its objective to make iron ore domestically available for steel making including CRF. First, import quantities were negligible. Second, despite India being the fourth largest producer of iron ore in the world, the exported quantities were very small compared to the production quantities.

(159) On the basis of all this information, as well as considering the other GOI measures on iron ore detailed in this section, the Commission therefore concluded that: (i) the GOI interference in the domestic iron ore market created a structure where the State-owned legacy mines were the predominant suppliers and hence the price setters; (ii) these legacy mines obtained their mining rights before the 2015 reform, and in the absence of GOI cooperation it was inferred that given their State ownership and that there was no auctioning at the time, their mining rights were granted at very favourable non-market conditions, allowing them to set the iron ore price at a much lower level than their competitors rather than at a fair market value; (iii) the mechanism of the IBM price implemented by GOI, which is used as an index for certain fees and taxes, led to

[74] https://cag.gov.in/uploads/download_audit_report/2022/table-of-content-066e1a12e51fa23.81224720.pdf

an artificially low price for all types and grades of iron ore including for the iron ore supplied to JSW for the production of CRF.

3.2.2.2.3. The iron ore captive market in steelmaking

(160) JSW owned the rights from the GOI to exploit some iron ore mines. Due to confidentiality reasons, additional details were disclosed specifically to JSW.

(161) The Commission investigated whether the conditions and pricing for the mines used by JSW captively for the production of CRF were distorted as a result of GOI policies. The Commission established that the 2015 reform of the Mining Law referred to in recital (150) introduced the requirement for State governments to auction the allocation of mining rights of minerals, including iron ore. Pursuant to rule 6 of the Mineral (Auction) rules from 2015[75], applicants must meet the requirements in Section 5 of the Mines and Minerals Law[76] which stated that a State Government could not grant a mineral concession unless the person was an Indian national or company. Therefore, by excluding foreign companies from the bidding process, the Commission did not consider the bidding process genuinely open as it was restricted to a limited number of potential domestic market players and excluded all the foreign iron ore operators that could potentially submit more competitive bids than domestic operators.

(162) Furthermore, the Commission analysed the pricing conditions of the mining rights granted to JSW. Since the bidding rate for the mining rights and consequently the actual price for the mining rights is pegged to the IBM price, the ensuing royalties paid on the iron ore mined are directly affected by the IBM price level. As a result, the distortions stemming from GOI's interventions in the domestic market of iron ore detailed in section 3.2.2.2.2 also directly affected the pricing of JSW's iron ore mining rights. On this basis, the Commission concluded that the price for the iron ore extracted by JSW was also distorted.

(163) On the basis of the legislative restrictions to grant mining rights according to the Mines and Minerals Law referred to in recital (161), as well as of the link between the royalties and concession rights granted to JSW with the distorted IBM price formation, the Commission concluded that also the iron ore captively sourced by JSW was affected by distortions on the Indian market.

3.2.2.2.4. Export tax on iron ore with an iron content above 58%

(164) In addition to the distortions concerning the price formation and the captive mining applicable to all grades of iron ore used by JSW, the GOI has had in place at least since 2012 and including the IP, an export tax on iron ore with iron content above 58%. Due to confidentiality reasons, additional details on the use of that grade by the cooperating exporting producer were disclosed specifically to JSW.

(165) During the IP the measure was in force pursuant to Notification No. 58/2022-Customs[77] for iron ore with an iron content above 58%. The Commission had already assessed this measure in the 2022 expiry review investigation concerning imports of tubes and pipes of ductile cast iron from India ('ductile pipes')[78] where it had concluded in recital (147) that the measure entrusted or directed the domestic iron ore

75 https://mines.gov.in/admin/download/69d601f1b7d3e1775632881.pdf?
76 https://www.indiacode.nic.in/bitstream/123456789/19380/1/mmdr_act%2C1957.pdf
77 https://taxinformation.cbic.gov.in/view-pdf/1009553/ENG/Notifications?utm=
78 C/2022/3820. OJ L 161, 16.6.2022, pp. 28–66. ELI: http://data.europa.eu/eli/reg_impl/2022/927/oj

mining companies to sell iron ore locally at a cheap price. The Commission also concluded that the measure had achieved the desired policy effect to depress the domestic price of iron ore to an artificially low level to the advantage of the downstream industry including the producers of the product concerned, thereby distorting the domestic market of iron ore in India. In those decisions, the Commission took into account an overwhelming body of evidence, including the preparatory works of the relevant legislation and regulation, the proactive monitoring of the implementation of the measure by the GOI to ensure that the intended policy objective was accomplished, as well as the clear economic effects created by this restriction, leading to a clear domestic price decrease at the time of introduction of the export tax also reflecting its level.

3.2.2.2.5. Restrictions to transport iron ore aimed at exports

(166) The GOI adopted in 2021 the so-called ‘Iron Ore Policy from 2021’[79]. The stated aim of the measure was to promote domestic manufacturing of steel as stated in the first paragraph of its introduction. To that end, the policy set out four categories of customers ranked according to the priority to get allocated wagons for transporting iron ore. The customers that comprised exports of iron ore were placed in the fourth category of customers, that is, the category with the lowest priority. This measure created a clear bias in favour of domestic supply of iron ore, in line with the overarching GOI policies to provide an ample supply of iron ore at cheap prices for domestic downstream producers. Iron ore producers willing to export iron ore face an additional hurdle from this measure if they would consider exporting rather than supplying domestically the iron ore. This is also confirmed by the very low level of iron ore exports from India. A report published in January 2026 by the Indian Ministry of Ports, Shipping and Waterways[80] flagged this restriction as the first issue that needed to be addressed for increasing the shipping of iron ore. The report called in its Table 18 to address the rake shortfall for the evacuation of iron ore from mines to Ports under Category D allotment by the Ministry of Railways. The report concluded that this constraint results in residual and uncertain rake allocation, particularly during periods of high demand from higher-priority commodities, leading to systemic delays in rake placement for iron ore evacuation to ports. The report gives as an example the Paradip Port which has a handling capacity of 18 rakes per day for iron ore, but rake supply averaged only 3.83 rakes/day in the financial year 2022–23 and 4.09 rakes/day in the financial year 2023–24.

(167) The Commission had also assessed this measure in the ductile pipes investigation and had noted in recital (151) that it prioritised the domestic transport of iron ore over the transport of iron ore for export. The Commission also noted that the purpose of the policy was to promote the domestic manufacturing of steel. The Commission therefore considered that the policy constituted a measure in favour of the domestic steel industry showing its objective to lower the price of iron ore.

3.2.2.2.6. Conclusion

(168) The Commission concluded that all the above measures implemented by the GOI resulted in a stable iron ore supply at distorted prices for the benefit of domestic steel producers in India.

---

79 Communication from the Indian Ministry of Railways No.2020/TT-III/32/4 dated on 15 January 2021

80 https://dgma.gov.in/download/1769691524_697b598415456_coastal-committee-report-final-jan2026.pdf

3.2.2.3. Existence of a Particular Market Situation affecting domestic CRF Prices

(169) The Commission assessed whether the identified measures in Section 3.2.2.2 enacted by the GOI and which resulted in artificially low input costs of iron ore for the domestic steel producers constituted a PMS affecting the domestic prices of CRF according to Article 2(3) of the basic Regulation. For this purpose, the Commission considered how these measures had an impact on the costs of producing CRF in India.

(170) The Commission analysed whether the domestic iron ore prices in the Indian market were indeed lower than undistorted market prices not affected by these distortions. The Commission based its analysis on the data collected from JSW given that it was the *de facto* sole exporting producer of the product under investigation and it also represented a substantial share of the domestic production and sales of CRF. The Commission checked that the JSW domestic prices paid to purchase iron ore used in the CRF production were in line with the relevant IBM published prices. As the IBM price mechanism ensured that all domestic sales prices of iron ore were substantially aligned to this price, including the purchases by JSW, the Commission focused its detailed price analysis on the JSW data.

(171) To check the impact of the distortions brought by the GOI measures on the domestic iron ore prices, the Commission considered a benchmark that could be used to represent undistorted prices of iron ore in normal market conditions in the domestic market. The Commission carried out the assessment for JSW.

(172) The cost of iron ore for JSW is the weighted cost of the relevant three sources for iron ore indicated in recital (145). For the reasons provided in recitals (148) to (159) the Commission considered that all the domestic prices of iron ore were affected by the said distortions and thus there existed no suitable undistorted domestic prices to compare the effect of the GOI policies as the four main sources of distortions affected all iron ore sold domestically. Therefore, the Commission had to compare the iron ore domestic prices paid by JSW and the IBM prices with a benchmark as representative and close as possible to an otherwise undistorted domestic price. Since, as explained in recitals (160) to (163), the Commission had also concluded that the captively sourced iron ore was distorted, the Commission had to compare the captively sourced iron ore costs with the same representative benchmark.

(173) In this light, the Commission considered, as appropriate benchmark, the export price of Indian iron ore to all destinations. Given the limited exports of iron ore due to all the policies enacted by the GOI, the Commission relied on export prices of iron ore with two different groups of representative iron content and constructed the benchmark price for all other iron ore grades on the basis of the differences in domestic price of each grade. This comparison showed significantly lower domestic prices of iron ore and captively sourced iron ore costs for the corresponding grades in India. The adjusted iron ore price, comprised of the weighted averages of the prices or costs of iron from the domestic sources, was also significantly higher than the unadjusted iron ore price.

(174) Due to confidentiality reasons, additional details concerning the share of iron ore sources in the production of CRF were disclosed specifically to JSW. Using the adjusted iron ore cost and taking into account the share of iron ore costs into the total cost of producing CRF, the Commission estimated that the cost of CRF would have been higher in the absence of the artificially low iron ore costs, and therefore that there is a particular market situation affecting the prices of the CRF in the domestic market affecting JSW. This conclusion also took into account the domestic structure of the

CRF market, where there are a few dominant producers of CRF and very few imports. Therefore, the low iron ore prices must have had an immediate direct effect on lowering the domestic CRF prices for these few predominant market suppliers of CRF, confirming the existence of a particular market situation within the meaning of Article 2(3) of the basic Regulation.

3.2.2.3.1. Conclusion

(175) In view of the above, the Commission concluded that a Particular Market Situation affecting domestic CRF Prices existed in India.

3.2.2.4. Proper comparison

(176) The Commission assessed if a proper comparison within the meaning of Article 2(3) of the basic Regulation could be made between the normal value and the export price of JSW because of the existence of the particular market situation. To that end, the Commission assessed the relative effect of the PMS on domestic and export sales.

(177) The Commission found that the conditions of competition in India and in the Union were significantly different.

(178) As indicated in Table 1, the Indian CRF market, with an estimated consumption of 21 178 934 tonnes, was dominated by Indian producers with imports amounting to only around 2%. This low level of imports had been observed for at least three years according to the information on file. The Commission therefore noted that the Indian CRF market is characterised by an insignificant level of imports. In this market, all the Indian producers benefit from the existence of the particular market situation, artificially lowering their costs. On this basis, the Commission concluded that there is a significant impact of the particular market situation on the domestic prices of CRF.

(179) By contrast, the Union CRF market is characterised by a mix of Union producers and imports from several countries as indicated in sections 4.1, 4.4 and 5.2. Therefore, the potential impact of the existence of the particular market situation on the export price to the Union would in any event be significantly attenuated by the existence of a series of other factors leading to the formation of such export prices. These factors include *inter alia* competition from Union producers which do not benefit from a similar particular market situation on the supply of iron ore, the fact that there is only one Indian exporting producer rather than more Indian companies on the EU market or the existence of all other exporting producers from the investigated countries as well as from other countries.

(180) On the basis of all of the above elements, the Commission concluded that the particular market situation affected differently the domestic prices as compared to the export prices. Therefore, the PMS did not allow for a proper comparison between the domestic Indian prices and the export prices according to Article 2(3) of the basic Regulation.

3.2.3. Normal value

(181) As set out in recitals (145) to (180) regarding the existence of a particular market situation in the CRF market in India, the Commission noted that all domestic sales of JSW were affected because the set of measures implemented by the GOI resulted in an artificially low cost of iron ore necessary for all the production of CRF.. As a consequence, the Commission constructed the normal value on the basis of the cost of production in the country of origin plus a reasonable amount for selling, general and

administrative costs and for profits in accordance with Article 2(3) of the basic Regulation.

(182) Pursuant to Article 2(5) of the basic Regulation, all the costs, as recorded by JSW, were used in the construction of normal value, with the exception of iron ore sourced domestically. For these iron ore costs, the Commission relied on the representative undistorted iron ore prices as described in recitals (171) to (174). With regard to SG&A expenses, the Commission used the overall verified SG&A expenses as reported by JSW on domestic sales for the product concerned. As for profits, the Commission used a reasonable profit margin based on the sales by JSW of the different CRF product types on its domestic market.

3.2.4. Export price

(183) The sampled exporting producer exported to the Union directly to independent customers. Therefore, the export price was the price actually paid or payable for the product concerned when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.

3.2.5. Comparison

(184) Article 2(10) of the basic Regulation requires the Commission to make a fair comparison between the normal value and the export price at the same level of trade and to make allowances for differences in factors which affect prices and price comparability. In the case at hand the Commission chose to compare the normal value and the export price of the sampled exporting producers at the *ex-works* level of trade. As further explained below, where appropriate, the normal value and the export price were adjusted in order to: (i) net them back to the *ex-works* level; and (ii) make allowances for differences in factors which were claimed, and demonstrated, to affect prices and price comparability.

3.2.5.1. Adjustments made to the normal value

(185) As explained in recital (182), the normal value was established at the ex-works level of trade by using costs of production together with amounts for SG&A expenses and for profit, which were considered to be reasonable for that level of trade. Therefore, no adjustments were necessary to net the normal value back to the ex-works level. The Commission found no reasons for making any allowances to the normal value, nor were such allowances claimed by any of the sampled exporting producers.

3.2.5.2. Adjustments made to the export price

(186) In order to net the export price back to the ex-works level of trade, adjustments were made on the account of: customs duty, other import charges, freight, insurance, handling loading and ancillary expenses.

(187) Allowances were made for the following factors affecting prices and price comparability: packing, bank charges, commissions and credit costs.

3.2.6. Dumping margins

(188) For the sampled cooperating exporting producer, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price of the corresponding type of the product concerned, in accordance with Article 2(11) and (12) of the basic Regulation. On this basis, the

definitive dumping margin expressed as a percentage of the CIF Union frontier price, duty unpaid, is 9,5%.

(189) For the cooperating exporting producers outside the sample, the Commission calculated the weighted average dumping margin, in accordance with Article 9(6) of the basic Regulation. Therefore, that margin was established on the basis of the margin of the sampled exporting producer. On this basis, the definitive dumping margin of the cooperating exporting producers outside the sample is 9,5%.

(190) For all other exporting producers in India, the Commission established the dumping margin on the basis of the facts available, in accordance with Article 18 of the basic Regulation. To this end, the Commission determined the level of cooperation of the exporting producers. The level of cooperation is the volume of exports of the cooperating exporting producers to the Union expressed as proportion of the total imports from the country concerned to the Union in the IP, that were established on the basis of Eurostat.

(191) The level of cooperation in this case is high because the exports of the cooperating exporting producers constituted around 100% of the total imports during the IP. On this basis, the Commission decided to establish the dumping margin for non-cooperating exporting producers at the level of the cooperating sampled company.

(192) The definitive dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
– JSW Steel Limited – JSW Steel Coated Products Limited	9,5%
Other cooperating companies	9,5%
All other imports originating in country concerned	9,5%

3.3. Japan

3.3.1. Related companies and arm's length

(193) After the sampling decision, since the Commission had deemed them to be related in the *HRF* investigation[81], Nippon Steel claimed for the purposes of this investigation that it was not related to the trader Marubeni-Itochu Steel Inc. ('MISI'), a company involved both in domestic and in export sales of the product concerned manufactured by Nippon Steel. In this respect, Nippon Steel recalled the criteria to identify related parties included in Article 127(1) of Commission Implementing Regulation (EU) 2015/2447 ('UCC Implementing Act')[82] and provided details on the corporate links between the two companies. Based on this, Nippon Steel claimed that the simple fact that Nippon Steel held shares in a third entity in parallel to MISI was insufficient to conclude that MISI was related to Nippon Steel. In support, Nippon Steel recalled that in the anti-subsidy

[81] Commission Implementing Regulation (EU) 2025/1919, rec. (99).

[82] Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code, OJ L 343, 29.12.2015, p. 558.

investigation on new battery electric vehicles for passengers originating in the PRC[83], the Commission did not treat the SAIC Group and China FAW Corporation Limited as being related despite the fact that they had joint ventures with Volkswagen, as it would be clear from the annex to the definitive regulation in that investigation[84], and, similarly, the Commission did not treat as related the producers who had joint ventures with battery producer CATL.

(194) The Commission, based on the details provided, considered that there was a relationship between Nippon Steel and MISI, based on a joint ownership of a third entity that the companies controlled together pursuant to Article 127(1)(g) of the UCC Implementing Act and which established their legally recognised business partnership pursuant to Article 127(1)(b) of the UCC Implementing Act. In this respect, at the outset the Commission noted that Nippon Steel itself, in the anti-dumping investigation on certain hot-rolled flat steel products from Japan, declared on its own motion MISI as a related entity precisely because of the fact that Nippon Steel and MISI together held almost 100% of the shares of this third entity[85]. In any case, based on the documents provided by Nippon Steel in the current investigation, the situation was the same during the investigation period, when Nippon Steel and MISI had the powers to appoint almost all directors, including the president. The Commission further noted in respect of its findings in the anti-subsidy investigation on battery electric vehicles from the PRC, that it is evident from the operative part and the annex to Commission Implementing Regulation (EU) 2024/2754 that SAIC Group and China FAW Corporation Limited had different joint ventures with Volkswagen. On the contrary, the situation in the present case is the joint ownership of the same third entity, that MISI and Nippon Steel control together. Besides, the Commission considered a producer as related to CATL[86]. Regardless, any determination of a relationship between parties should be based on the facts and circumstances of each case. The case on battery electric vehicles from the PRC concerned an anti-subsidy investigation, with specific facts and circumstances that were taken into account. The current investigation, on the other hand, is an anti-dumping investigation concerning a different country, economic reality, product/sector, and different facts and circumstances. Therefore, the Commission dismissed this claim.

(195) Furthermore, Nippon Steel claimed that it was not MISI's legally recognised partner in business due to the shareholding in a third entity, because the Court of Justice in *Baltic Master*[87] required for this qualification that the national provisions concerning recognised partners were satisfied, and MISI and Nippon Steel did not enter such agreement (so-called *kumiai*) under Japanese law.

(196) However, the Commission noted that Nippon Steel and MISI together jointly directly owned almost 100% of the shares of a third entity. Regardless of the legal definition of related companies in Japan under Japanese law, under the referred Article 127 of the UCC Implementing Act, the provision normally applied for establishing relationship in trade defence investigations in the Union, those parties

[83] Commission Implementing Regulation (EU) 2024/2754 of 29 October 2024 imposing a definitive countervailing duty on imports of new battery electric vehicles designed for the transport of persons originating in the People's Republic of China, OJ L, 2024/2754, 29.10.2024, ELI: http://data.europa.eu/eli/reg_impl/2024/2754/oj.

[84] *Ibidem.*

[85] Commission Implementing Regulation (EU) 2025/1919, rec. (84) and footnote 11.

[86] Commission Implementing Regulation (EU) 2024/2754, recs. (152) and (518).

[87] Judgment of 9 June 2022, *Baltic Master*, C-599/20, ECLI:EU:C:2022:457, para. 36.

are considered legally recognised partners in business under Article 127(1)(b) of the UCC Implementing Act as joint owners of a third business under Japanese law and therefore related parties. Therefore, the Commission dismissed this claim.

(197) In addition, Nippon Steel claimed that it was not in a position to exercise constraint or direction over MISI, because the size of the joint entities was minor as compared to Nippon Steel and MISI.

(198) The Commission noted that Article 127 of the UCC Implementing Act does not mention any requirement in relation to the relative size of the controlled third entity compared to the controlling entities. Thus, even if the third entity is smaller in terms of revenues and personnel, the relationship can still be established pursuant to Article 127(1)(g) of the UCC Implementing Act. Therefore, the Commission dismissed this claim.

(199) In any event, Nippon Steel claimed that, should the Commission decide to maintain its position that MISI is a related party of Nippon Steel, it should acknowledge that the sales between Nippon Steel and MISI take place on arm's length terms and should treat sales to these entities in a manner akin to Nippon Steel's sales to unrelated parties. In support, Nippon Steel brought sensitive elements concerning the framework agreements between Nippon Steel and its traders, the sales process and MISI's purchases of the product concerned.

(200) At the outset, the Commission acknowledged that the framework agreements with related entities that were provided to the Commission were similar in terms of content and conditions. However, none of the framework agreements specified how the final prices were set, how commissions were paid or other details relevant for the determination of arm's length transactions.

(201) Moreover, by the company's own assertions in its submission and based on the verifications, the price negotiations for sales to final customers involving related traders in practice took place either through the trader or directly with the customer, meaning the trader's influence in these negotiations was limited to acting as an intermediary. The final price was therefore mainly determined either by the final customer's acceptance of Nippon Steel's offer, or by Nippon Steel's acceptance of the final customer's counteroffer. In view of the limited (if any) influence of the related trader on the price setting, the price between related entities was considered unreliable.

(202) In addition, the Commission did not dispute that MISI was free to sell and buy from other unrelated producers. However, the Commission noted that a comparison of the unit prices by supplier of the product under investigation to MISI during the investigation period, provided by MISI itself in its questionnaire reply, revealed that Nippon Steel's unit price was indeed the lowest compared to other Japanese producers.

(203) Finally, in any case, the Commission compared, on a product type basis, the price at FOB level of export sales destined to the Union between Nippon Steel and MISI, and between Nippon Steel and its other related export trader Nippon Steel Trading Corporation ('NST'). Such comparison revealed that the price between Nippon Steel and MISI, and the price between Nippon Steel and NST, were aligned (1,5% of difference). Thus, MISI benefitted from the same prices made to the related trader NST, whose relationship with Nippon Steel was not contested.

(204) Therefore, the Commission rejected the claim that Nippon Steel's sales to MISI were at arm's length.

(205) In conclusion, Nippon Steel stated that, in order to support the claims summarised above in this section, MISI would separately respond to the relevant parts of the questionnaire. The Commission received the questionnaire reply of MISI and of its related importer in the Union Marubeni-Itochu Steel Europe GmbH ('MISEA').

3.3.2. The application of the provisions of Article 18(1) of the basic Regulation

(206) On 19 December 2025, the Commission informed Nippon Steel that it might have to resort to the use of facts available under Article 18(1) of the basic Regulation in relation to a related producer of the product under investigation in Japan, Daido, which had provided a separate sampling reply but had not submitted a questionnaire reply. Indeed, Nippon Steel held 5% or more of the shares of such producer.

(207) On 28 December 2025, Nippon Steel provided its comments. In its comments, Nippon Steel did not deny that it held a shareholding of 5% or more of the shares of the producer in question.

(208) Therefore, the Commission considered that the sales between NST, one of Nippon Steel's related traders (in which Nippon Steel also held 5% or more of the shares), and the producer in question were related sales, pursuant to Article 127(1)(d) of the UCC Implementing Act. In the absence of a verified questionnaire reply of Daido, which would have shown the resale price or further processing of these sales of the product under investigation, the Commission considered the price of NST's related domestic sales to Daido to be the average price of the 5% most profitable unrelated domestic sales of Nippon Steel and its related companies for the same product type sold to Daido. The 5% was calculated in relation to the volume. In addition, for the analysis of the particular market situation in section 3.3.3, the Commission took into account the domestic and export sales and price data of Daido between 2022 and the investigation period, available based on its sampling reply, in the absence of a questionnaire reply. When this was done, the Commission referred the data to 'Nippon Steel Group' as opposed to Nippon Steel alone.

(209) On 26 March 2026, the Commission informed Nippon Steel that it might have to resort to the use of facts available under Article 18(1) of the basic Regulation in relation to (i) the failure to provide a questionnaire reply on the part of Company A and Company B, which purchased the product concerned manufactured by Nippon Steel from MISEA and, during the verification, were found to be subsidiaries of Company C, in which MISI had a stake of above 5%; and (ii) the failure to fully disclose all domestic resales of the product concerned during the IP on the part of three traders related to Nippon Steel: NST, Metal One Corporation ('Metal One') and Sumitomo Corporation Global Metals Co., Ltd. ('SCGM').

(210) On 7 April 2026, Nippon Steel provided its comments. In relation to point (i), firstly, Nippon Steel reiterated that it disagreed that it was related to MISI or that its relationship was not at arm's length. In addition, Nippon Steel stated that, even if it were related to MISI, it would still not be related to Company A and Company B, because it did not hold shares in them and did not engage in business with them in relation to the product concerned. It also added that, in its view, Article 127 of the UCC Implementing Act did not provide for relationships beyond at most an indirect chain of one entity and considering Nippon Steel related would depart from the Commission's past practice in the anti-subsidy investigation on battery electric

vehicles from the PRC[88]. Furthermore, Nippon Steel claimed that, given that MISI operated fully independently and at arm's length from Nippon Steel, Nippon Steel had no access to confidential information from MISI, so being required to identify and obtain an Annex I reply from related companies or face the application of Article 18 would impose an impossible burden on Nippon Steel. Secondly, Nippon Steel argued that requesting Company A and Company B to fill in a questionnaire reply would have been of no use and disproportionate, because they did not resell the product concerned but processed it. Finally, Nippon Steel raised the fact that the price of the PCNs sold to Company A fell within the average sale price to unrelated customers for the same PCNs, and so that sales to Company A and Company B were at arm's length.

(211) The Commission noted that MISEA sold the product concerned manufactured by Nippon Steel to Company A and Company B, whose parent company was Company C. In turn, MISI held a stake of above 5% both in MISEA and in Company C. During the verification at MISI, it was confirmed that these relationships were in place during the investigation period and Company C was listed amongst MISI's overseas subsidiaries in MISI's 2025 corporate profile[89]. This shows that MISEA and Company A on one side, and MISEA and Company B on the other side, were related because, pursuant to Article 127(1)(d), a third party (i.e., MISI) directly or indirectly held 5% or more of the shares of both of them. In this respect, it is irrelevant whether the relationship is with the exporting producer itself. In this case, the relationship at stake was between the seller MISI and the purchasers Company A and Company B. It cannot be claimed that, since the relationship did not involve the exporting producer itself, such relationship was not liable to affect the sales price. Indeed, the prices between related parties were tainted by the relationship anyway. The definition of related parties in Article 127 of the UCC Implementing Act refers to 'persons' and Article 2(1) of the basic Regulation, which includes the reference to the UCC Implementing Act for the purposes of trade defence, refers to 'parties' in this respect, not to exporting producers. The Commission is also of the view that Article 127(1)(d) is not limited to a chain of one entity at most for establishing a relationship between parties. Indeed, precisely the specification 'indirectly' allows to include shareholdings held through a chain of subsidiaries and prevents the circumvention of the provision through corporate structures of several levels of subsidiaries, as in this case where MISI's indirect shareholding in Company A and Company B is held through Company C. The alleged Commission's past practice in the anti-subsidy investigation on battery electric vehicles from the PRC was not further substantiated. Furthermore, the Commission considered that, in the case at hand, identifying and obtaining an Annex I reply from these related companies was not an impossible burden for Nippon Steel because (a) Company C had already been involved in a different capacity in the previous *HRF* investigation[90], where Nippon Steel had been sampled, (b) MISI's acquisition of Company C was public information, and (c) the identification by the Commission of Company A and Company B as subsidiaries of Company C happened in the context of routine checks during the verification, as detailed in MISI's mission report. Then, the application of Article 18(1) with respect of Nippon Steel derived precisely from the

88 Commission Implementing Regulation (EU) 2024/2754.

89 MISI's 2025 Corporate Profile, pp. 13-14, available at: https://www.benichu.com/wp/images/2025/07/misi_2025_-_ebook_-.pdf.

90 Commission Implementing Regulation (EU) 2025/670.

relationship. Secondly, the fact that a related company in the Union does not engage in resales but rather processing does not exempt a company from replying to Annex I. On the contrary, the processing costs become relevant in the establishment of the export price to the Union on any reasonable basis where the products are not resold in the condition in which they were imported as provided for in Article 2(9) of the basic Regulation. In the case at hand, the Commission could not carry out such assessment. Therefore, the Commission rejected the claim.

(212) Finally, as regards the arm's length of MISEA's sales to Company A, the Commission noted that the prices that Nippon Steel considered ex works were obtained by deducting from the net invoice value all the allowances paid by MISEA. However, when comparing sales prices, a comparison should be made between the invoice prices, minus relevant transport costs (to account for differences in delivery terms). Such comparison at CIF EU border level (i.e., CIF price minus transport costs in the EU to account for differences in delivery term) showed that MISEA's prices to Company A were on average 6% lower than MISEA's prices to unrelated companies. Therefore, the Commission considered that MISEA's sales to Company A were not at arm's length. As regards the arm's length of MISEA's sales to Company B, Nippon Steel itself acknowledged that it could not show it, as the PCN sold to Company B was not sold to any other MISEA's customer in the Union. However, since Company B did not cooperate, based on the fact that the Commission concluded that MISEA's sales to Company A were not at arm's length, there were no elements to conclude differently for sales to Company B. In conclusion, the Commission dismissed the comments and considered MISEA's sales to Company A and Company B as related sales. As a consequence, in the absence of information on the resale price of Company A and Company B and on their possible processing costs, the Commission considered the resale price of Company A and Company B to be equal to the price of MISEA's sales to unrelated customers, on a product type basis. For Company B, which purchased from MISEA a PCN not purchased by any other customer, the Commission used the price of MISEA's sales to unrelated customers of the most similar PCN.

(213) In relation to point (ii) on the missing domestic resales of three related traders, Nippon Steel agreed with the Commission's assessment.

(214) Therefore, the Commission considered the price of these missing domestic resale to be the average price of the most profitable domestic sales to unrelated customers of Nippon Steel and its related companies, representing 5% of the volume sold domestically on a product type basis.

3.3.3. *Particular market situation: push-out effect*

3.3.3.1. Analysis

(215) In order to establish the existence of a PMS in the market of Japan due to the push-out effect of Chinese imports of CRF, the Commission carried out the following analysis: first, the Commission analysed the degree of penetration of Chinese imports in Japan's domestic market in terms of volume; secondly, the Commission looked at the respective market shares of domestic producers versus Chinese and other third-country imports in Japan's domestic market; thirdly, the Commission looked at the prices in Japan's domestic market. The Commission then analysed any other information available on file concerning the impact of the Chinese

imports on Japan's domestic market, including, if available, the profitability of the domestic producers on domestic sales of CRF.

(216) In its analysis, the Commission relied on indicators at country-wide level provided by the GOJ, and at company level provided by the sampled exporting producer, Nippon Steel. Both sets of indicators were verified on spot, as indicated in recital (100).

(217) In this respect, the Commission recalls that Nippon Steel not only was considered representative, based on the information submitted at sampling stage, of the export volume, but also, based on the data verified during the investigation and considering also its related producer referred to in recitals (206) to (208), accounted for at least [50-60%] of the domestic sales volume of CRF during the investigation period. Such domestic sales ensured to Nippon Steel Group a market share of at least [40%-50%] in the market for CRF in Japan during the investigation period. While the Commission carried out its analysis both at country level and at the level of Nippon Steel or, where available, Nippon Steel Group, these metrics show that Nippon Steel is representative of the domestic producers in Japan, and hence, of the situation in the domestic market in Japan.

3.3.3.1.1. Domestic market: volume

(218) At the outset, the Commission analysed the consumption of CRF in Japan as reported by the GOJ. The consumption reported by the GOJ appeared to be slightly understated by approximately 1% compared to the sum of imports and domestic sales reported by the GOJ itself. During the verification visit, it was explained that this derived from the methodology as the GOJ of Japan had used a different method to report the imports on their own, and those that it used in the calculation of consumption, leading to different figures for the same indicator. Since the Commission could verify on-spot the figures used to establish imports on their own, it relied on the same data also for the consumption.

(219) Moreover, the domestic sales volume reported by the GOJ appeared to be understated by approximately 33% compared to the domestic sales volume reported by the cooperating exporting producers. In this case, the Commission relied on the domestic sales volume reported by the cooperating exporting producers. Consequently, such domestic sales volume was used also to establish consumption, instead of relying on the consumption data provided by the GOJ.

(220) Consumption in Japan developed as follows:

Table 2 — Consumption in Japan (tonnes)

	2022	2023	2024	Investigation period
Consumption in Japan	4 221 718	4 153 970	4 189 541	4 089 303
Index	*100*	*98*	*99*	*97*
Source: Japan's customs data plus domestic sales reported by the cooperating exporting producers in Japan				

(221) Between 2022 and the investigation period, consumption in Japan decreased by 3%.

(222) Imports of the product under investigation into Japan developed as follows:

Table 3 — Import quantity into Japan (tonnes)

Country		2022	2023	2024	Investigation period
Total imports, of which:	Quantity of imports	813 469	910 476	990 341	880 370
	Index	*100*	*112*	*122*	*108*
1. Republic of Korea ('Korea')	Quantity of imports	558 528	572 630	621 599	575 194
	Index	*100*	*103*	*111*	*103*
2. Taiwan	Quantity of imports	185 704	235 907	246 812	210 795
	Index	*100*	*127*	*133*	*114*
3. PRC	Quantity of imports	64 696	97 238	117 512	90 522
	Index	*100*	*150*	*182*	*140*
Source: Japan's customs data					

(223) Import data show that from 2022 to the investigation period imports of the product under investigation into Japan increased by 8%. This increase, if compared to the decrease by 3% of consumption over the same period, shows that imports during the investigation period constituted a larger share of the consumption mix compared to 2022.

(224) Imports from the PRC increased by 40% from 2022 to the investigation period, a higher rate compared to overall imports, imports from Korea and from Taiwan. However, throughout the period, the PRC remained consistently only the third source of imports of the product under investigation into Japan.

(225) In parallel, the domestic sales of the product under investigation in Japan developed as follows:

Table 4 — Domestic sales quantity (tonnes)

	2022	2023	2024	Investigation period
Total sales quantity on the Japanese market, of which:	3 408 249	3 243 493	3 199 200	3 208 933

Index	*100*	*95*	*94*	*94*
– Nippon Steel Group	[2 000 000-2 100 000]	[1 900 000-2 000 000]	[1 900 000-2 000 000]	[1 900 000-2 000 000]
Index	*100*	*92*	*92*	*93*
Source: cooperating exporting producers' sampling reply and Nippon Steel's questionnaire reply				

(226) Captive sales are included in these data as they could not be separately segregated based on the data available.

(227) From 2022 to the investigation period, domestic sales decreased by 6% and Nippon Steel Group's domestic sales showed a similar decrease by 7%. If this is compared to the modest decrease by 3% of consumption and to the increase of imports by 8% of the imports, it is evident that imports replaced a part of domestic sales in the consumption mix.

(228) This dynamic can be better observed when comparing the volumes to the consumption and expressing them in terms of market shares.

Table 5 — Market share

	2022	2023	2024	Investigation period
Imports, of which:	19,3%	21,9%	23,6%	21,5%
1. Korea	13,2%	13,8%	14,8%	14,1%
2. Taiwan	4,4%	5,7%	5,9%	5,2%
3. PRC	1,5%	2,3%	2,8%	2,2%
Domestic sales, of which:	80,7%	78,1%	76,4%	78,5%
– Nippon Steel Group	[45-55%]	[40-50%]	[40-50%]	[40-50%]
Source: Japan's customs data, cooperating exporting producers and Nippon Steel's questionnaire reply				

(229) The increase in imports of 2,2 percentage points from 2022 to the investigation period corresponded to a decrease in domestic sales of also 2,2 percentage points, with Nippon Steel Group's market share showing also a slight decrease. Within the increase in imports, imports from the PRC gained 0,7 percentage points, as opposed to the higher increase of Korea of 0,9 percentage points and of Taiwan of 0,8

percentage points. So, also in terms of increase in market share, the PRC followed Korea and Taiwan.

(230) Therefore, the Commission established that, in terms of volume, imports showed a limited increase of their market share in Japan and Chinese imports did not play a leading role in this increase. In fact, Chinese imports never held a market share above 3% in the Japanese market. At the same time, the market share of Japanese domestic producers remained at approximately 80% of the market.

3.3.3.1.2. Domestic market: prices

(231) The Commission then analysed the effect of Chinese imports on prices in Japan's domestic market. In order to do that, the Commission analysed the unit prices of imports and of domestic sales.

(232) The unit price of imports and domestic sales developed as follows:

Table 6 — Sales prices in Japan (JPY/tonne)

	2022	2023	2024	Investigation period
1. Imports from Korea	407 643	146 720	149 106	150 713
Index	*100*	*36*	*37*	*37*
2. Imports from Taiwan	181 823	208 711	189 087	186 855
Index	*100*	*115*	*104*	*103*
3. Imports from the PRC	330 640	280 645	285 452	306 600
Index	*100*	*85*	*86*	*93*
Average unit domestic sales price in Japan[91], of which:	143 000	135 000	132 000	132 083
Index	*100*	*94*	*92*	*92*
– Nippon Steel Group[92]	[155-165 000]	[157-167 000]	[155-165 000]	[151-161 000]

91 The average unit domestic sales price in Japan excludes transport cost and consumption tax.

92 Net of domestic freight for Nippon Steel, based on the sampling reply for the other producer in Nippon Steel Group.

Index	*100*	*101*	*100*	*98*
Source: Japan's customs data, Japan Metal Daily (end-of-month Tokyo low price for 3×6, 0,8 mm), Nippon Steel Group's sampling reply and Nippon Steel's questionnaire reply				

(233) The price analyses showed that overall, import prices at CIF level were consistently much higher than domestic sales prices. Import prices from sources closer to Japan are lower, but still consistently higher than domestic sales prices.

(234) Chinese imports also came into Japan at consistently much higher prices than those of Nippon Steel Group's domestic price in all the years of the period examined. Nippon Steel Group's domestic prices remained stable between 2022 and the investigation period.

3.3.3.2. Conclusion

(235) The Commission concluded that Japan's domestic market for CRF was not affected by a particular market situation resulting from Chinese imports due to overcapacity in the steel sector in the PRC. In this respect, the Commission observed that imports from the PRC held only a 2,2% market share during the investigation period, that Japan's industry retained a market share of almost 80%, that domestic prices in Japan were lower than Chinese import prices. Given their quantities and prices, Chinese imports into Japan could not have had any significant effect on domestic prices and profitability.

(236) Therefore, the Commission concluded that the Japanese domestic market was not affected by a particular market situation resulting from Chinese imports due to overcapacity in the steel sector in the PRC.

3.3.4. Normal value

(237) The Commission first examined whether the total volume of domestic sales for each sampled exporting producer was representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales are representative if the total domestic sales volume of the like product to independent customers on the domestic market per exporting producer represented at least 5% of its total export sales volume of the product concerned to the Union during the investigation period. On this basis, the total sales by each sampled exporting producer of the like product on the domestic market were representative.

(238) The Commission subsequently identified the product types sold domestically that were identical or comparable with the product types sold for export to the Union for the exporting producer with representative domestic sales.

(239) The Commission then examined whether the domestic sales by each sampled exporting producer on its domestic market for each product type that is identical or comparable with a product type sold for export to the Union were representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales of a product type are representative if the total volume of domestic sales of that product type to independent customers during the investigation period represents at least 5% of the total volume of export sales of the identical or comparable product type to the Union.

(240) The Commission established that the domestic sales for the majority of the product types were representative. The Commission established that for two product types there were no domestic sales. For these product types, no other sources for domestic prices were available. The normal value was constructed in line with the method below in recital (246).

(241) The Commission next defined the proportion of profitable sales to independent customers on the domestic market for each product type during the investigation period in order to decide whether to use actual domestic sales for the calculation of the normal value, in accordance with Article 2(4) of the basic Regulation.

(242) The normal value is based on the actual domestic price per product type, irrespective of whether those sales are profitable or not, if:

(a) the sales volume of the product type, sold at a net sales price equal to or above the calculated cost of production, represented more than 80% of the total sales volume of this product type; and

(b) the weighted average sales price of that product type is equal to or higher than the unit cost of production.

(243) If both tests are met, the normal value is the weighted average of the prices of all domestic sales of that product type during the IP.

(244) The normal value is the actual domestic price per product type of only the profitable domestic sales of the product types during the IP, if:

(a) the volume of profitable sales of the product type represents 80% or less of the total sales volume of this type: or

(a) the weighted average price of this product type is below the unit cost of production.

(245) The analysis of domestic sales showed that the volume of profitable sales of some product types during the investigation period represented less than 80% of the total sales volume of these types and that the weighted average sales price was lower than the cost of production. Accordingly, the normal value was calculated as a weighted average of the profitable sales only. For some other product types, the scenario outlined in recital (242) was applicable and the normal value was calculated as a weighted average of the prices of all domestic sales of those product types during the investigation period.

(246) Where there were no domestic sales of a product type of the like product, the Commission looked for alternative sources for prices in the ordinary course of trade. As there were no other sampled cooperating or available domestic producers of the like product in the country concerned, no such prices were available. The Commission constructed the normal value for the relevant product types in accordance with Article 2(3) and (6) of the basic Regulation.

3.3.5. Export price

(247) The sampled exporting producer exported to the Union either directly to independent customers or through related companies acting as an importer.

(248) In case the exporting producer exported the product concerned directly to independent customers in the Union, the export price was the price actually paid or payable for the product concerned when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.

(249) In case the exporting producer exported the product concerned to the Union through related companies acting as importers, the export price was established on the basis of the price at which the imported product was first resold to independent customers in the Union, in accordance with Article 2(9) of the basic Regulation. In this case, adjustments to the price were made for all costs incurred between importation and resale, including SG&A expenses, and for profits accruing.

(250) The Commission relied on the actual SG&A costs reported by the related importers. With regard to the profit, given that no unrelated importers cooperated in this investigation, the Commission relied on the profit established for an unrelated importer in an anti-dumping investigation concerning imports of CRF originating in the PRC and the Russian Federation, namely 2%[93], which was also used in the recent *HRF* investigation[94]. On this basis, the Commission made an adjustment for profit incurred by each Union related entity involved in the resale to the first independent Union customer. In particular, evidence in the file showed that Company B, in the context of a purchase from MISEA on delivered at place unloaded (DPU) terms, covered the discharge costs in the Union port upon delivery of the product under investigation. Based on this, in the absence of cooperation on the part of Company B, the Commission considered that, in addition to MISEA, Company B was also involved in the importation process. For this reason, the Commission made an adjustment under Article 2(9) of the basic Regulation both for MISEA and for Company B.

3.3.6. Comparison

(251) Article 2(10) of the basic Regulation requires the Commission to make a fair comparison between the normal value and the export price at the same level of trade and to make allowances for differences in factors which affect prices and price comparability. In the case at hand the Commission chose to compare the normal value and the export price of the sampled exporting producers at the *ex-works* level of trade. As further explained below, where appropriate, the normal value and the export price were adjusted in order to: (i) net them back to the *ex-works* level; and (ii) make allowances for differences in factors which were claimed, and demonstrated, to affect prices and price comparability.

3.3.6.1. Adjustments made to the normal value

(252) As explained in recital (251), the normal value was established at the ex works level of trade by using costs of production together with amounts for SG&A expenses and for profit, which were considered to be reasonable for that level of trade.

(253) Nippon Steel claimed, under Article 2(10)(a) of the basic Regulation, that an adjustment because of differences in physical characteristics should be made to the normal value. It based its claim on the fact that, on the domestic market, customers of a specific sector accepted higher prices due to various factors, including supplying high value-added special products, answering stringent quality demands, making outstanding technical proposals, and providing on the spot, ‘just in time’ delivery service compared with customers in other sector, while those factors are

93 Commission Implementing Regulation (EU) 2016/1328 of 29 July 2016 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain cold rolled flat steel products originating in the People's Republic of China and the Russian Federation, OJ L 210, 4.8.2016, p. 1.

94 Commission Implementing Regulation (EU) 2025/1919, rec. (114).

not present in the export market. Nippon Steel added that the Commission should consequently exclude the domestic sales to the specific sector from the normal value.

(254) The Commission noted that, based on the verified information from Nippon Steel on their domestic prices to different sectors, customers in that specific sector did not consistently pay different prices than customers in other sectors in the investigation period. Therefore, the Commission rejected the claim.

3.3.6.2. Adjustments made to the export price

(255) In order to net the export price back to the *ex-works* level of trade, adjustments were made on the account of: customs duty, other import charges, freight, insurance, handling loading and ancillary expenses.

(256) Allowances were made for the following factors affecting prices and price comparability: credit cost, bank charges and commissions.

(257) Furthermore, where the products were sold from Nippon Steel to a related company and then exported to the Union, adjustments were made pursuant to Article 2(10)(i) of the basic Regulation for the mark-up received by the related traders, whenever traders were considered to perform functions similar to those of an agent working on a commission basis.

(258) The Commission found that the functions of the related traders were similar to those of an agent acting on a commission basis. Those related traders obtained a commission for their services and traded a broad array of goods other than the product concerned, also manufactured by unrelated companies.

(259) The adjustment was based on deducting the SG&A costs incurred by the related traders, whereas the profit used was the same notional profit margin used under Article 2(9) of the basic Regulation for sales via related companies in the Union, as explained in recital (250) above.

3.3.7. Dumping margins

(260) For the sampled cooperating exporting producer, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price (as defined in point 3.3.3 above) of the corresponding type of the product concerned, in accordance with Article 2(11) and (12) of the basic Regulation.

(261) Regarding the sales to the Union made via unrelated traders located outside the Union, Nippon Steel and NST claimed that an amount for these traders' SG&A costs and profit should be added to estimate the CIF Union border price. Depending on the specific transaction, the invoices issued either by Nippon Steel or NST were based on FOB, CIF or CFR incoterms.

(262) According to long-established practice, for transactions concluded under FOB incoterms, ocean freight and ancillary costs (such as insurance) are estimated based on evidence submitted by the exporting producer. The same logic should apply to any additional element claimed by an interested party. However, in the present case, Nippon Steel was unable to provide any evidence demonstrating the need to add SG&A costs and profit of unrelated traders in the first place. In any event, even if Nippon Steel had provided such evidence, *quod non*, the company was unable to provide any verifiable evidence on the amount of such hypothetical SG&A costs and profit.

(263) More concretely, during the on-site verification, the Commission provided Nippon Steel with the opportunity to present evidence demonstrating that unrelated traders were actively involved in Nippon Steel's and NST's export sales to the Union and that the final value of the goods at CIF Union border included both the SG&A costs incurred and the alleged profits realised by those intermediaries. In response, Nippon Steel and NST presented a selection of resales invoices and a limited number of customs declarations from certain unrelated traders. However, the Commission did not consider the provision of a limited number of invoices and customs declarations as sufficient evidence. Indeed, Nippon Steel never provided any methodology explaining how and why it selected these specific invoices and customs declarations and why they are representative of the overall sales made through unrelated traders.

(264) Therefore, the claim was rejected.

(265) On this basis, the definitive weighted average dumping margins expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
– Nippon Steel Corporation – Daido Steel Co., Ltd.	56,0%

(266) For the cooperating exporting producers outside the sample, the Commission calculated the weighted average dumping margin, in accordance with Article 9(6) of the basic Regulation. However, in this instance the Commission sampled only one exporting producer in Japan. Therefore, that margin corresponded to the margin of the sampled exporting producer.

(267) On this basis, the definitive dumping margin of the cooperating exporting producers outside the sample is 56,0%.

(268) For all other exporting producers in Japan, the Commission established the dumping margin on the basis of the facts available, in accordance with Article 18 of the basic Regulation. To this end, the Commission determined the level of cooperation of the exporting producers.

(269) The level of cooperation in this case is high because the exports of the cooperating exporting producers constituted around 97% of the total imports from the country concerned to the Union during the IP, established on the basis of Eurostat figures as explained in recitals (530) and (531). On this basis, the Commission decided to establish the dumping margin for non-cooperating exporting producers at the level of the sampled company with the highest dumping margin. Since only one company was sampled, the dumping margin for non-cooperating companies is set at the level of the dumping margin for this company.

(270) The definitive dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
– Nippon Steel Corporation – Daido Steel Co., Ltd.	56,0%

Other cooperating companies	56,0%
All other imports originating in Japan	56,0%

3.4. Taiwan

3.4.1. Particular market situation: the push-out effect

3.4.1.1. Analysis

(271) In order to examine the existence of the alleged PMS in the market of Taiwan due to the so called 'push-out effect' of Chinese imports of CRF, the Commission carried out the following analysis: first, the Commission analysed the degree of penetration of Chinese imports in the Taiwan's domestic market for CRF in terms of volume; secondly, the Commission looked at the respective market shares of domestic producers versus Chinese and other third-country imports in Taiwan's domestic market; thirdly, the Commission looked at the prices in Taiwan's domestic market. The Commission then analysed any other information available on file concerning the impact of the Chinese imports on Taiwan's domestic market, including, if available, the profitability of the domestic producers on domestic sales of CRF.

(272) The Commission issued a questionnaire for the authorities of Taiwan. In its analysis, the Commission relied on indicators at country-wide level provided by the authorities of Taiwan, and, if available and relevant, also at company level provided by the sampled group of exporting producers, composed of China Steel Corporation ('CSC') and Chung Hung Steel Corporation ('CHS' and, together with CSC, 'CSC Group'). Both sets of indicators were verified on spot, as indicated in recital (100).

(273) In this respect, the Commission recalls that CSC Group not only was considered representative, based on the information submitted at sampling stage, of the export volume, but also, based on the data verified during the investigation, which accounted for [90-100%] of the domestic sales volume of CRF during the investigation period. Such domestic sales ensured to CSC Group a market share of [40-50%] in the market for CRF in Taiwan during the investigation period. While the Commission carried out its analysis both at country and at sampled group level, these metrics show that CSC Group is representative of the domestic producers in Taiwan, and hence, more in general of the situation in the domestic market in Taiwan.

3.4.1.1.1. Domestic market: volume

(274) At the outset, the Commission analysed the consumption of CRF in Taiwan as reported by the authorities of Taiwan on the basis of domestic sales and imports.

(275) Consumption in Taiwan developed as follows:

Table 7 — Consumption in Taiwan (tonnes)

	2022	2023	2024	Investigation period
Consumption in Taiwan	1 153 906	988 966	1 200 354	1 173 152

Index	*100*	*86*	*104*	*102*
Source: Ministry of Economic Affairs of Taiwan				

(276) Between 2022 and the investigation period, consumption in Taiwan remained stable. However, between 2022 and 2023 there was a severe -14% drop in consumption, followed by a steep increase of 21% between 2023 and 2024.

(277) Imports of the product under investigation into Taiwan developed as follows:

Table 8 — Import quantity into Taiwan (tonnes)

Country		2022	2023	2024	Investigation period
Total imports, of which:	Quantity of imports	410 860	404 609	595 439	577 982
	Index	*100*	*98*	*145*	*141*
1. PRC	Quantity of imports	290 308	312 976	448 773	447 631
	Index	*100*	*108*	*155*	*154*
2. Republic of Korea (‘Korea’)	Quantity of imports	57 774	54 969	102 403	89 346
	Index	*100*	*95*	*177*	*155*
3. Japan	Quantity of imports	61 878	34 662	43 597	40 456
	Index	*100*	*56*	*70*	*65*
Source: Taiwan’s customs data					

(278) Import data show that between 2022 and the investigation period imports of the product under investigation into Taiwan increased by 41%. This significant increase, if compared to the more modest increase by 2% of consumption over the same period, already shows that imports during the investigation period constituted a larger share of the consumption mix as compared to 2022. From 2022 to the investigation period, the PRC remained consistently and by far the first source of imports of CRF into Taiwan, representing more than 77% of all imports during the investigation period.

(279) Moreover, from 2022 to the investigation period imports from the PRC increased by 54%. While the rate of this increase is slightly lower than the 55% increase of the second-largest source of imports, Korea, the volumes are very different. Indeed, imports from the PRC reached 477 631 tonnes in the investigation period, compared to only 89 346 tonnes originating in Korea. Such increase is all the more significant if compared to the decrease of imports from the third-largest source of

imports, Japan, which saw its imports decrease by 35% from 2022 to the investigation period.

(280) Moreover, the trend of imports from the PRC did not always follow the general trend of imports. In fact, when overall imports decreased by -2% between 2022 and 2023, imports from the PRC increased by 8%. After that, when, between 2023 and 2024, overall imports and imports from the PRC increased both by more than 40%, the increase of imports from the PRC cumulated on top of the increase of the previous year. Then, from 2024 to the investigation period, both overall imports and imports from the PRC slightly decreased.

(281) In its reply to the questionnaire, the authorities of Taiwan explained that Taiwan has an import ban in place on certain products falling within the product under investigation originating in the PRC[95]. The import ban concerns 21 customs codes out of the 57 customs codes at 10-digit level under which the product under investigation is classified according to Taiwan's customs tariff. However, products subject to such import ban may obtain a special permit to be imported if they are not produced domestically, or are required for special purposes, or are to be imported in small quantities. Based on the data on imports from the PRC, it appears that such import ban did not stop imports of CRF from the PRC or prevent their increase. This is confirmed by the fact that, out of the 21 codes banned from imports into Taiwan, imports from the PRC were recorded under 10 codes from 2022 to the investigation period[96].

(282) Taiwan also imposed trade defence measures on imports of certain steel products originating in the PRC, based on complaints lodged by Taiwan's industry, but not on the product concerned. In the publicly available final injury determination of a recent anti-dumping investigation on certain flat hot-rolled steel products – which are an upstream product in the production of CRF – originating in the PRC, initiated based on a complaint lodged also by CSC, the authorities of Taiwan found that, based on the evidence of the case, the PRC '*has long faced an overcapacity issue.* […] *Its domestic market grapples with severe supply-demand mismatches, prompting many steel mills to dump excess production into international markets (particularly neighboring markets like* […] *Taiwan) at low prices, severely impacting the steel industries of various countries*'[97].

(283) In parallel, the domestic sales of the product under investigation in Taiwan developed as follows:

Table 9 — Domestic sales quantity (tonnes)

	2022	2023	2024	Investigation period

95 The legal basis for such import ban is the Regulation Governing Trade Between the Taiwan Area and the Mainland Area.

96 While the import ban is established at 11-digit level, the comparison could be made only at 10-digit level as import data were recorded at 10-digit level. Import data used for the comparison were the same Taiwan customs data used to establish the import quantity.

97 Final Industrial injury Investigation Report for the anti-dumping investigation applied by China Steel Corporation and Dragon Steel Corporation for the imposition of anti-dumping duties and provisional anti-dumping duties on imports of certain hot-rolled flat steel products originating in the People's Republic of China, footnote 54, the quotation is machine-translated from the original version, https://traderemedy.trade.gov.tw/web/main/case/wfrmTradeCases.aspx?menu_id=1522&caseid=108&datatype=3&progkind=2.

Total domestic sales quantity on the Taiwan market (excluding imports), of which:	743 046	584 357	604 915	595 170
Index	*100*	*79*	*81*	*80*
– CSC Group	[600-700 000]	[450-550 000]	[500-600 000]	[490-590 000]
Index	*100*	*73*	*83*	*79*
Source: Ministry of Economic Affairs of Taiwan and CSC Group's questionnaire reply				

(284) Captive sales could not be segregated within the overall domestic data and, according to the authorities of Taiwan, they are included in these data. This was consistent with the domestic sales data reported by the CSC Group, which include captive sales.

(285) From 2022 to the investigation period, domestic sales decreased by 20% and CSC Group's domestic sales showed a similar decrease. If this is compared to the modest increase by 2% of consumption and to the larger increase by 41% of the imports, it is evident that imports replaced domestic sales.

(286) This is all the more evident when looking at the volume variation between the two components of consumption, imports and domestic sales.

Table 10 — Volume variation of imports and domestic sales (tonnes)

	2022 to 2023	2023 to 2024	2024 to the investigation period
Consumption, of which:	-164 940	+211 388	-27 202
1. Imports into Taiwan, of which:	-6 251	+190 830	-17 457
– Imports from the PRC	+22 668	+135 797	-1 142
2. Domestic sales, of which:	-158 689	+20 558	-9 745
– CSC Group	-[150-200 000]	+[30-80 000]	-[0-50 000]

Source: Ministry of Economic Affairs of Taiwan, Taiwan's customs data and CSC's questionnaire reply

(287) From 2022 to 2023, the significant decrease of consumption marked a big drop in domestic sales. Despite shrinking consumption, and despite reduced overall imports, imports from the PRC increased. When, the following year, consumption recouped, Chinese imports took most advantage of that increase, to the detriment of Taiwan producers whose sales increase was only limited and disproportionate to the increase in consumption. Looking at the gains and losses of Chinese imports and of domestic sales between 2022 and 2024, they are almost symmetrical: +158 465 tonnes for Chinese imports compared to -138 131 for Taiwan's industry.

(288) This dynamic of substitution of domestic sales by Chinese imports can be better observed when comparing the volumes to the consumption and expressing them in terms of market shares.

Table 11 — Market share

	2022	2023	2024	Investigation period
Imports, of which:	35,6%	40,9%	49,6%	49,3%
1. PRC	25,2%	31,6%	37,4%	38,2%
2. Korea	5,0%	5,6%	8,5%	7,6%
3. Japan	5,4%	3,5%	3,6%	3,4%
Domestic sales, of which:	64,4%	59,1%	50,4%	50,7%
– CSC Group	[55-65%]	[45-55%]	[40-50%]	[40-50%]
Source: Authorities of Taiwan and CSC Group's questionnaire reply				

(289) In terms of market share, the increase in imports of 13,7 percentage points from 2022 to the investigation period corresponded to a decrease in volume of domestic sales of also exactly 13,7 percentage points, with the sampled exporting producer CSC Group following the same trend by approximately [-15] percentage points. The increase in imports of 13,7 percentage points was largely driven by the increase of imports from the PRC of 13,0 percentage points.

(290) It has to be noted that, between 2024 and the investigation period, Chinese imports increased their market share despite the decrease in market share of imports from the other sources and overall imports. Such increase of 0,8 percentage points was higher than the increase of 0,3 percentage points of the domestic producers' market share, to which CSC Group was aligned.

(291) Therefore, the Commission established that, in terms of volume, the Chinese imports increased their market share in Taiwan to the detriment of domestic sales.

3.4.1.1.2. Domestic market: prices

(292) The Commission then observed the development of the prices in Taiwan's domestic market. In particular, the Commission analysed the unit prices of imports and of domestic sales.

(293) The unit price of imports and domestic sales developed as follows:

Table 12 — Sales prices in Taiwan (TWD/tonne)

	2022	2023	2024	Investigation period
Average unit import price into Taiwan (CIF), of which:	28 921	22 831	22 178	20 539
Index	*100*	*79*	*77*	*71*
1. Imports from the PRC	26 564	21 166	19 817	18 198
Index	*100*	*80*	*75*	*69*
2. Imports from Korea	27 866	22 305	24 493	23 713
Index	*100*	*80*	*88*	*85*
3. Imports from Japan	39 294	37 467	39 682	38 348
Index	*100*	*95*	*101*	*98*
Average unit domestic sales price in Taiwan[98], of which:	28 805	24 362	24 263	23 190

[98] The average unit domestic sales price in Taiwan may include 0,5%-1,2% of domestic freight. However, they are reported without any adjustment for domestic freight because, in any case, the analysis and conclusion remain confirmed even with adjusted prices.

Index	*100*	*85*	*84*	*81*
– CSC Group[99]	[27-29 000]	[23-25 000]	[23-25 000]	[22-24 000]
Index	*100*	*85*	*84*	*81*
Source: Taiwan's customs data, Ministry of Economic Affairs of Taiwan and CSC Group's questionnaire reply				

(294) The price analyses showed that, apart from 2022, when overall import prices and domestic prices were aligned, overall import prices were lower than domestic prices from 2023 to the investigation period.

(295) More specifically, Chinese import prices were consistently lower than domestic prices, including CSC Group's prices, from 2022 to the investigation period. Moreover, they are also below the price of imports originating in the other two largest sources, Korea and Japan.

(296) Chinese import prices showed also the most significant decrease, with a decrease of -31% from 2022 to the investigation period, compared to a decrease of -15% of Korean import prices and a decrease of only -2% of Japanese import prices. Due to their large volume, Chinese import prices drove the decrease in overall import prices by -19% between 2022 and the investigation period. Chinese import prices decreased more also compared to domestic prices, including CSC Group's prices, which showed a decrease of -19% from 2022 to the investigation period.

(297) The prices of the domestic industry followed Chinese import prices in the downward trend. The continued price difference between Chinese import prices and domestic prices resulted in Chinese imports progressively and consistently increasing their market share from 25,2% in 2022, to 31,6% in 2023, to 37,4% in 2024, to 38,2% during the investigation period. In contrast, the market share of Taiwan's domestic producers, who could not lower their prices enough to match Chinese import prices, decreased from 64,4% in 2022 to 50,7% in the investigation period.

(298) The increasing imports of Chinese import into Taiwan created significant downward pressure on the domestic prices, forcing domestic producers to decrease their profits. This was patent when analysing the evolution of the profitability of the sampled exporting producer.

Table 13 — Profitability of domestic sales to unrelated customers

	2022	2023	2024	Investigation period
CSC Group	+	-	-	-
Index	*100*	*-13*	*-24*	*-73*
Source: CSC Group's questionnaire reply				

[99] Net of domestic freight.

(299) Starting from a profitable level in 2022, CSC Group saw its results deteriorating into increasingly bigger losses on its domestic sales of the product under investigation to unrelated customers. CSC Group's losses in the investigation period showed a significant decrease in profitability compared to the profit margin in 2022.

(300) The deteriorating profitability of CSC Group can be put in relation to CSC Group's decreasing prices in Table 6. It can be observed that, the lower the domestic prices, the more significant the losses.

(301) Therefore, the Commission concluded that the PMS in Taiwan's market entailed profits lower that those that would have been achieved in its absence.

3.4.1.2. Conclusion

(302) The Commission concluded that Taiwan's domestic market was affected by a particular market situation resulting from Chinese imports due to overcapacity in the steel sector in the PRC. In this respect, the Commission observed that domestic prices in Taiwan decreased and that domestic profitability deteriorated.

3.4.2. Proper comparison

(303) The Commission assessed whether a proper comparison could be made between the normal value and the export price of CSC Group because of the existence of the particular market situation pursuant to Article 2(3) of the basic Regulation. To that end, the Commission assessed the relative effect of the particular market situation on domestic and on export sales.

(304) The Commission found that the conditions of competition in Taiwan and the Union are significantly different and, therefore, that the effect of the particular market situation makes domestic sales prices improper to compare with the export sales prices by CSC Group.

(305) The market for CRF in Taiwan, with a consumption of 1 173 152 tonnes in the IP, was affected by a surge in Chinese imports reaching 38,2% of the market in the IP, to the detriment of the domestic industry in Taiwan whose market share decreased to 50,7% in the IP. The sampled group of exporting producers, CSC Group, represented the largest domestic player in Taiwan and its market share also decreased to [40-50%] during the IP. This pattern was observed for the period between 2022 and the IP. Therefore, it appears that the PMS affected both the sampled group of exporting producers and Taiwan's domestic industry as a whole, of which CSC Group is representative anyway. On this basis, the Commission concluded that there is a significant impact of the particular market situation on the domestic prices of CRF.

(306) By contrast to Taiwan's market, where Chinese imports have a significant presence that dwarves other supplying countries, the Union market for CRF, with a much bigger consumption of 7 274 722 in the free market alone, is characterised by a mix of Union producers and imports from several countries, as indicated in sections 4.1, 4.4 and 5.2 below. Indeed, the market share of Chinese imports into Taiwan was 38% in the investigation period, with no other supplying country being remotely close, while in the Union all imports together made up for 34% of the market with no single country achieving a market share above 8% and with negligible imports from the PRC. Indeed, since 2016 the Union imposed anti-dumping duties on

imports of CRF originating in PRC[100]. Therefore, the conditions of competition that drive the price levels in the two markets are very different.

(307) A comparison between the average level of prices charged in the Union by all players and the prices of Chinese imports into Taiwan confirms that conditions of competition are different. Indeed, in the Union, Taiwan's industry competes against prices much higher than the prices of the imports from the PRC against which it competes in its domestic market.

Table 14 — Price comparison of imports into the Union and Taiwan (EUR/tonne)

	2022	2023	2024	Investigation period
Average unit sales price in the Union on the total market	[1 020-1 095]	[825-900]	[750-825]	[675-750]
Index	*100*	*80*	*73*	*69*
Average unit import price into the Union from the countries concerned	1 047	779	728	695
Index	*100*	*74*	*70*	*66*
Average unit import price into the Union from all third countries, excluding the countries concerned	1 071	841	776	735
Index	*100*	*79*	*72*	*69*
Average unit import price into Taiwan from the PRC	851	630	570	520

[100] Anti-dumping measures on imports of CRF originating in the PRC were lastly continued by virtue of Commission Implementing Regulation (EU) 2022/2068 of 26 October 2022 imposing a definitive anti-dumping duty on imports of certain cold-rolled flat steel products originating in the People's Republic of China and the Russian Federation following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council, OJ L 277, 27.10.2022, p. 149.

Index	*100*	*74*	*67*	*61*
Source: sections 4.1, 4.4 and 5.2 and Taiwan's customs data reported in Table 12 converted according to the TWD/EUR exchange rate used in the investigation				

(308) On the basis of all the above elements, the Commission concluded that the particular market situation affected differently the domestic prices in Taiwan as compared to the export prices to the Union. Therefore, the Commission concluded that the PMS did not allow for a proper comparison between the domestic prices in Taiwan and the export prices to the Union according to Article 2(3) of the basic Regulation.

3.4.3. Normal value

(309) As set out in recitals (302) and (308), the Commission established the existence of a particular market situation in the domestic market of Taiwan, which did not allow for a proper comparison. All domestic sales of CSC Group were affected because Chinese imports resulting from the overcapacity in the steel sector in the PRC artificially decreased the price of all domestic sales of CRF. Therefore, such sales could not be considered as made under normal conditions and the profit generated could not constitute a normal profit.

(310) As a consequence, in accordance with Article 2(3) of the basic Regulation, the Commission constructed the normal value on the basis of the cost of production in the country of origin plus a reasonable amount for SG&A costs and for profits.

(311) As explained in recitals (298) to (301), the effect of the PMS in Taiwan resulted in artificially low profitability but did not affect the costs of production and the SG&A costs in Taiwan. Therefore, for the construction of the normal value, the Commission relied on the actual costs of production and the actual SG&A costs recorded by CSC and CHS.

(312) Concerning profit, the Commission considered that the profit realised by the exporting producer on sales of like products on the domestic market was unsuitable for use due to the effect of the PMS on the actual profit margin, as explained in recital (302).

(313) The Commission determined the impact of the PMS on the actual profit margin based on a report prepared by the OECD and published by GFSEC[101]. According to this report, the average of the difference between profit actually achieved by steel companies across the world, excluding the PRC, and the profit which could have been achieved by the same companies had the PRC's overcapacity not surged the way it did, was 4,8%.

Table 15 — Actual versus estimated profitability

	2015	2017	2020
Actual profit	9%	17,75%	16,5%

[101] OECD Facilitator De Carvalho, A., Pazos, R., and Thorbecke, W, *Global Forum on Steel Excess Capacity (GFSEC): Impacts of global excess capacity on the health of GFSEC steel industries*, March 2024, pp. 18-19, Box 3 and Figure 3, https://www.steelforum.org/content/dam/steel-forum/en/publications/gfsec-impacts-of-global-excess-capacity_0325.pdf.

Estimated profit	14%	22,7%	21%
Average of the difference	4,8%		
Source: OECD-GFSEC report, pp. 18-19, Box 3 and Figure 3			

(314) The Commission considered that any meaningful profit adjustment per product type should take into account the specific variations in costs of production, domestic sales prices and resulting profit levels across those product types since this information is available to the Commission.

(315) Therefore, to establish a reasonable amount for profit within the meaning of Article 2(3) of the basic Regulation, and in line with Article 2(6)(c) thereof, the Commission, as a starting point and following its standard dumping calculation methodology, first identified all domestic sales transactions made in the ordinary course of trade for each product type. Since the profitability of those transactions was negatively affected by the PMS found, relying on their actual profitability would not result in a reasonable amount for profit within the meaning of Article 2(3). To address this, the Commission adjusted the profitability of the transactions made in the ordinary course of trade by the average loss of profit attributable to the PMS.

3.4.4. *Export price*

(316) The sampled exporting producers exported to the Union directly to independent customers.

(317) Therefore, the export price was the price actually paid or payable for the product concerned when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.

3.4.5. *Comparison*

(318) Article 2(10) of the basic Regulation requires the Commission to make a fair comparison between the normal value and the export price at the same level of trade and to make allowances for differences in factors which affect prices and price comparability. In the case at hand the Commission chose to compare the normal value and the export price of the sampled exporting producers at the ex-works level of trade. As further explained below, where appropriate, the normal value and the export price were adjusted in order to: (i) net them back to the ex-works level; and (ii) make allowances for differences in factors which were claimed, and demonstrated, to affect prices and price comparability.

(319) In the sensitive version of their questionnaire replies, both CSC and CHS requested the addition of one-digit at the end of the PCNs to account for alleged end-use market segments. According to the sampled exporting producers in Taiwan, these market segments resulted in price differences that the PCN structure put forward by the Commission did not take into account. Additionally, such PCN structure compared domestic sales in a high-value segment with export sales to the EU concentrated in a price-sensitive segment.

(320) The Commission noted that the digit added by the sampled exporting producers in Taiwan did not correspond to a technical or physical characteristic which could allow to uniquely distinguish and identify the alleged market segments. The

descriptions of the market segments showed that there was not a single variable or set of variables which could allow to distinguish the various segments, but each of them was defined based on different factors. For example, one segment was defined based on quality requirements and price inelasticity, another one was based on the content of a certain element, and a further one was based on the content of other elements. As a consequence, the only real distinguishing factor was the end-use, according to the sampled exporting producers' own classification. By tracing back the characteristics of the products sold for the different end-uses, the sampled exporting producers artificially identified several market segments. However, the PCN structure proposed by the Commission already includes a number of factors that allow to classify the same products and compare them as like products. Such PCN structure was fully adequate. This was specifically the case because, shortly after the initiation of the case, on 1 October 2025, the Commission slightly modified the PCN structure to ensure that automotive grades based on proprietary automotive standards equivalent to European Nomenclature ('EN') standard 10130 2006 and solid solutions steels (EN standard 10268) were correctly classified in the PCN structure[102]. Therefore, the Commission rejected this claim.

3.4.5.1. Adjustments made to the normal value

(321) As explained in recitals (309) to (315), the normal value was established at the ex-works level of trade by using costs of production together with amounts for SG&A expenses and for profit, which were considered to be reasonable for that level of trade. Therefore, no adjustments were necessary to net the normal value back to the ex-works level.

(322) In the sensitive version of their questionnaire reply, CSC Group claimed, in the event that the Commission rejected their proposal to modify the PCN structure as explained in recital (319), that they would have requested adjustments to the normal value or the export price for (i) differences in physical characteristics, (ii) differences in level of trade, and (iii) other factors. During the verification, CSC Group requested such adjustment based on Article 2(10)(k) of the basic Regulation concerning other factors and provided a calculation of the adjustment. CSC Group explained that the reasons for the adjustment were that (i) customers paid different prices on the domestic market because of the difference in these other factors, and (ii) such difference was due to a combination of differences in physical characteristics, because of specific steel grades, and of level of trade, because of the type of customers. With respect to the type of customers, CSC Group claimed that there were differences in functions and conditions of sales. Specifically, CSC certification as a qualified vendor to the customer was a prerequisite for business relations, and prices reflected such additional condition. The adjustment was thus meant to account for the difference in prices due to the end-use. In the domestic market, customers of alleged segment A accepted higher price, whereas, on the Union export market, sales focused mainly on alleged segment B, though there were also sales in alleged segment A. During the verification, CSC clarified that, based on the type of customers, segment A could be further split in segment A1 on the domestic market, which commanded higher prices, and segment A2 on the Union export market, which commanded lower prices but still higher than segment B.

[102] Note to the file No. t25.009414 and accompanying annex.

(323) At the outset, the Commission noted that CSC Group did not support its claim for price difference between sales sectors with any evidence in terms of costs.

(324) As regards the claimed difference in physical characteristics, the Commission requested CSC Group to provide evidence on any physical or chemical characteristics which could clearly distinguish the alleged segments, as already mentioned in recital (320). CSC Group did not provide evidence demonstrating that some customers paid more than others for similar products for any difference in physical or chemical characteristics. Regarding other factors, the Commission requested CSC Group to provide supporting evidence such as additional selling expenses or additional costs. CSC Group explained that there was no specific additional packing costs and that the certification process costs was not depreciated but booked as an overhead expense. Therefore, the Commission considered that CSC Group did not provide such evidence.

(325) As regards the differences claimed between the type of customers, the Commission noted that CSC Group did not make any correlation between the high prices and the costs of the certification process or other factors.

(326) In any case, the Commission noted that high prices could be explained by the fact that CSC Group was the only domestic producer active in the alleged segment A.

(327) Therefore, the Commission rejected this claim.

3.4.5.2. Adjustments made to the export price

(328) In order to net the export price back to the ex-works level of trade, adjustments were made on the account of: customs duty, other import charges, freight, insurance, handling loading and ancillary expenses.

(329) Allowances were made for the following factors affecting prices and price comparability: bank charges, commissions and, only for CSC, credit cost.

3.4.6. Dumping margins

(330) For the sampled exporting producers, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price of the corresponding type of the product concerned, in accordance with Article 2(11) and (12) of the basic Regulation.

(331) During the verification visit, CSC Group provided a simplified version of the profit and loss accounts of one of its unrelated traders in third countries, involved in export sales to the Union, so that such expenses could be used to establish the CIF Union frontier price, duty unpaid, used as denominator to express the dumping margin as a duty.

(332) However, the costs and profits reported in such profit and loss accounts did not cover all traders, while they did include the operations of that trader related to other business and other products than the product concerned. Moreover, the type of costs included in the SG&A for that unrelated trader was not specific enough to avoid double-counting of e.g. transport or other costs. Finally, none of these documents offered any light on whether the final value of the goods at CIF Union border included both the costs incurred and the alleged profits realised by those intermediaries.

(333) Therefore, the Commission rejected the claim,

(334) On this basis, the definitive weighted average dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
– China Steel Corporation – Chung Hung Steel Corporation	36,5%

(335) For the cooperating exporting producer outside the sample, the Commission usually calculates the weighted average dumping margin, in accordance with Article 9(6) of the basic Regulation. However, in this instance the Commission sampled only one group of exporting producers in Taiwan. Therefore, that margin corresponded to the margin of the sampled group of exporting producers.

(336) On this basis, the definitive dumping margin of the cooperating exporting producers outside the sample is 36,5%.

(337) For all other exporting producers in Taiwan, the Commission established the dumping margin on the basis of the facts available, in accordance with Article 18 of the basic Regulation. To this end, the Commission determined the level of cooperation of the exporting producers. The level of cooperation is the volume of exports of the cooperating exporting producers to the Union expressed as proportion of the total imports from Taiwan to the Union in the IP, that were established on the basis of Eurostat.

(338) The level of cooperation in this case is low because the imports of the cooperating exporting producers constituted around [60-70%] of the total exports to the Union during the IP. On this basis, the Commission decided to establish the residual dumping margin at the level of the highest margins established for the product types representing more than 5% of the exports to the Union by CSC Group.

(339) The definitive dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
– China Steel Corporation – Chung Hung Steel Corporation	36,5%
Other cooperating companies	36,5%
All other imports originating in Taiwan	59,6%

3.5. Türkiye

3.5.1. Particular market situation: push-out effect

3.5.1.1. Analysis

(340) In order to establish the existence of a PMS in the market of Türkiye due to the push-out effect of Chinese imports of CRF, the Commission carried out the following analysis: first, the Commission analysed the degree of penetration of Chinese imports in Türkiye’s domestic market in terms of volume; secondly, the

Commission looked at the impact of these imports on the prices in Türkiye's domestic market.

(341) The Commission examined country-wide indicators and company-level indicators based on data provided by the GOT and the sample exporting producers respectively. Both sets of data were verified on spot as indicated in recital (98).

3.5.1.2. Consumption

(342) The Commission determined the captive consumption based on captive use reported by the GOT for each Turkish CRF producer. No captive sales were reported. Consumption on free market was established as a sum of domestic sales on the free market and imports. The sum of captive consumption and consumption on free market represents total consumption of CRF in Türkiye.

(343) The consumption of CRF in Türkiye evolved as follows:

Table 16 – Consumption (in tonnes)[103]

	2022	2023	2024	Investigation period
Captive consumption	[2 795 000-3 453 000]	[2 414 000-2 982 000]	[2 799 000-3 458 000]	[3 020 000-3 730 000]
Index (2022=100)	*100*	*86*	*100*	*108*
Consumption on free market	[2 467 000-3 048 000]	[2 601 000-3 213 000]	[2 332 000-2 881 000]	[2 365 000-2 921 000]
Index (2022=100)	*100*	*105*	*95*	*96*
Total consumption	6 191 841	5 900 957	6 037 586	6 335 628
Index (2022=100)	*100*	*95*	*98*	*102*
Source: calculated based on GOT's questionnaire and deficiency replies				

(344) Cold-rolled flat steel products can be further processed into galvanised steel or organic coated (pre-painted) steel. In the period considered, the consumption of CRF to manufacture downstream products decreased between 2022 and 2023. In 2024, it returned to the level of 2022 and continued growing in the investigation period. In the investigation period, captive consumption of CRF in Türkiye was by 8% higher than in 2022.

(345) Consumption on free market increased by 5% in 2023. However, afterwards in 2024, it dropped and remained at similar level in the investigation period. In total, consumption on free market decreased by 4% between 2022 and the investigation period.

(346) Total consumption temporarily decreased in 2023 (-5%), then oscillated close to the 2022 levels in 2024 and in the investigation period.

3.5.1.3. Evolution of import volumes and prices from the PRC and other third countries

(347) The Commission established the volume of imports based on the trade statistics provided by the GOT. Market shares were determined by comparing the import volumes with the consumption on the free market in Türkiye.

(348) Imports of CRF to Türkiye evolved as follows:

Table 17 – Import volumes and market shares (tonnes, %)[104]

[103] For confidentiality reasons, the data is disclosed in ranges.

	2022	2023	2024	Investigation period
South Korea				
Import volume (tonnes)	161 306	375 954	271 828	329 904
Index (2022=100)	*100*	*233*	*169*	*205*
Market share (%)	[5,3-6,5]	[11,7-14,5]	[9,4-11,7]	[11,3-13,9]
Index (2022=100)	*100*	*221*	*178*	*213*
European Union				
Import volume (tonnes)	148 683	274 473	282 910	250 710
Index (2022=100)	*100*	*185*	*190*	*169*
Market share (%)	[4,9-6,0]	[8,5-10,6]	[9,8-12,1]	[8,6-10,6]
Index (2022=100)	*100*	*175*	*201*	*176*
Russia				
Import volume (tonnes)	323 019	205 107	153 141	230 198
Index (2022=100)	*100*	*63*	*47*	*71*
Market share (%)	[10,6-13,1]	[6,4-7,9]	[5,3-6,6]	[7,9-9,7]
Index (2022=100)	*100*	*60*	*50*	*74*
PRC				
Import volume (tonnes)	247 884	272 577	166 683	210 997
Index (2022=100)	*100*	*110*	*67*	*85*
Market share (%)	[8,1-10]	[8,5-10,5]	[5,8-7,1]	[7,2-8,9]
Index (2022=100)	*100*	*104*	*71*	*89*
United Kingdom				
Import volume (tonnes)	14 667	29 200	16 515	9 581
Index (2022=100)	*100*	*199*	*113*	*65*
Market share (%)	[0,5-0,6]	[0,9-1,1]	[0,6-0,7]	[0,3-0,4]
Index (2022=100)	*100*	*189*	*119*	*68*
Rest of the world				
Import volume (tonnes)	82 978	81 601	27 834	22 370
Index (2022=100)	*100*	*98*	*34*	*27*
Market share (%)	[2,7-3,4]	[2,5-3,1]	[1-1,2]	[0,8-0,9]
Index (2022=100)	*100*	*93*	*35*	*28*
Total imports				
Import volume (tonnes)	978 538	1 238 912	918 911	1 053 760
Index (2022=100)	*100*	*127*	*94*	*108*
Market share (%)	[32,1-39,7]	[38,6-47,6]	[31,9-39,4]	[36,1-44,6]
Index (2022=100)	*100*	*120*	*99*	*112*
Source: GOT's questionnaire and deficiency replies				

(349) Total imports increased during the period considered (+8%), including a significant increase in 2023 (+27%). Their market share increased by 12% or [4-4,9] p.p. Imported CRF originated mainly in South Korea, the Union, Russia and in the PRC.

[104] For confidentiality reasons, the market share is disclosed in ranges.

(350) Imports from the PRC fluctuated in the period considered. In 2023, they increased by 10% as compared to 2022. In 2024, they dropped to less than 70% of the 2022 volume. In the investigation period, they partially recovered and reached 85% of the 2022 volume. Market share of Chinese CRF in Türkiye fluctuated accordingly. It slightly increased by 4% or [0,4-0,5] p.p. in the first two years of the period considered, then fell by [2,7-3,2] p.p. in 2024. In the investigation period, it reached [7,2-8,9]%.

(351) Imports from South Korea doubled in the period considered. The surge was particularly pronounced between 2022 and 2023 when the import volumes increased by 133%. In 2024, the imports remained well above the level of 2022 (+69%) and further grew in the investigation period to reach 205% of 2022.

(352) Considering the shrinking domestic market, the market share of Korean imports grew even more than their volume. In the period considered, it increased from [5,3-6,5]% in 2022 to [11,3-13,9]% in the investigation period, which represents a growth of 113%.

(353) Imports from the Union increased by 90% between 2022 and 2024. In the investigation period, they dropped but remained 69% higher than in 2022. The market share of imports from the Union increased by 76% from [4,9-6,0]% in 2022 to [8,6-10,6]% in the investigation period.

(354) Imports from Russia decreased by almost 30% in the period considered. Their market share dropped from [10,6-13,1]% in 2022 to [7,9-9,7]% in the investigation period.

(355) Although the United Kingdom was the fifth most important source of imported CRF in Türkiye, it lagged far behind the top four countries of origin with decreasing import volumes (-35%) and negligible market shares (between 0,3% and 1,1% in the period considered, while the lowest market share was observed in the investigation period).

3.5.1.4. Domestic sales volumes, market share, domestic prices and import prices

(356) The Commission established the domestic sales volumes based on the data collected by the GOT from the Turkish CRF producers. Market share of domestic sales was determined by comparing the domestic sales volumes with the consumption on the free market in Türkiye.

(357) Domestic sales volume, market share and domestic sales prices evolved as follows:

Table 18 – Domestic sales volume and market share (tonnes, %)

	2022	2023	2024	IP
Domestic sales volume (tonnes)	1 924 449	1 821 160	1 825 216	1 728 873
Index (2022=100)	*100*	*95*	*95*	*90*
Market share (%)	66,3%	59,5%	66,5%	62,1%
Index (2022=100)	*100*	*90*	*100*	*94*
Domestic sales price (TRY/tonne)	16 708	20 199	25 968	26 718
Index (2022=100)	*100*	*121*	*155*	*160*
Domestic sales price in historical prices of 2022 (TRY/tonne)	16 708	15 674	15 119	14 502
Index (2022=100)	*100*	*94*	*90*	*87*
Source: GOT Questionnaire reply and deficiency reply				

(358) Domestic sales decreased steadily over the period considered. In the investigation period, the volume of sales by Turkish CRF producers on their domestic market was reduced by 10% in comparison to 2022.

(359) Market share of the domestic sales decreased accordingly. Between 2022 and the investigation period Turkish CRF producers lost 6% of their domestic market. In 2023, import volumes increased significantly which translated into a considerable decrease of the share of domestic sales on the Turkish CRF market (-10%).

(360) Nominal domestic sales price increased significantly (+60%). When corrected for the effect of inflation, it decreased continuously throughout the period considered. In the investigation period, it was by 13% lower than in 2022.

(361) The Commission also compared domestic prices to import prices during the period considered. For the purpose of this comparison, the Commission used the nominal prices in TRY per tonne of CRF.

Table 19 – Domestic sales price and import prices (TRY/tonne)

	2022	2023	2024	IP
Domestic sales price	16 708	20 199	25 968	26 718
Import prices	17 428	19 752	27 373	26 978
Import/Domestic price ratio	*1,04*	*0,98*	*1,05*	*1,01*
South Korea	17 188	18 085	25 063	25 559
Import/Domestic price ratio	*1,03*	*0,90*	*0,97*	*0,96*
European Union	19 407	26 286	32 957	34 121
Import/Domestic price ratio	*1,16*	*1,30*	*1,27*	*1,28*
Russian Federation	16 215	17 789	22 994	22 450
Import/Domestic price ratio	*0,97*	*0,88*	*0,89*	*0,84*
PRC	18 927	18 053	26 127	25 646
Import/Domestic price ratio	*1,13*	*0,89*	*1,01*	*0,96*
United Kingdom	13 282	16 300	20 766	21 606
Import/Domestic price ratio	*0,79*	*0,81*	*0,80*	*0,81*
Source: GOT Questionnaire reply and deficiency reply				

(362) Average import prices remained above the level of domestic prices throughout the period considered with the exception of 2023. The average was however heavily influenced by imports from the Union, which were by up to 30% higher than domestic prices (in 2023). In the investigation period, prices of CRF imported from the Union exceeded the domestic prices by 28%.

(363) The average price of imports from the PRC was 13% higher than the domestic prices in 2022, then dropped to the level of 89% of the domestic prices in 2023. In the following period (2024, investigation period), they remained roughly at the same level of domestic prices.

3.5.1.5. Conclusion

(364) Although the domestic sales of Turkish CRF producers decreased at a higher pace than the consumption on free market, they maintained a dominant market share on the Turkish CRF market. The total increase of imports was driven mainly by imports from South Korea and the Union. Imports from the PRC decreased and lost

market share in the period considered. In addition, the PRC ranked only as number four in terms of origin of imported CRF behind South Korea, the Union and Russia.

(365) In terms of prices, Chinese import prices were at similar levels as domestic prices, while import prices from other supplying countries, namely the Union, were significantly higher.

(366) Considering the volumes, prices and market shares of domestic sales by Turkish CRF producers and import volumes and prices from China, South Korea and the Union, the Commission found that the market penetration by CRF of Chinese origin was rather modest and could not have significantly affected the prices on the Turkish CRF market. Consequently, the Commission concluded that Chinese imports did not create a PMS in the Turkish market.

3.5.2. Application of the provisions of Article 18(1) of the basic Regulation

3.5.2.1. Tatmetal Çelik Sanayi ve Ticaret A. Ş. ('Tatmetal')

(367) The Commission informed in the Notice of Initiation and in the letter accompanying the questionnaire sent to Tatmetal 18 September 2025, that where it was found that any interested party supplied false or misleading information, the information may be disregarded, and use may be made of facts available.

(368) The Commission informed Tatmetal on 16 April 2026 of its intention to apply Article 18 of the basic Regulation due to a number of issues which emerged during the verification visit.

(369) First, with regard to full-hard steel, Tatmetal made a deliberate choice to change the Product Control Number construction and informed the Commission only during the onsite verification. This irregularity affected both domestic and export sales transactions.

(370) Second, the Commission identified sales, in the investigation period, of the product under investigation to the free trade zones in Türkiye to customers who processed cold-rolled flat steel products into downstream products of different characteristics and use, e.g. kitchenware. These sales were classified as other sales and not reported as domestic sales, nor EU sales.

(371) Third, Tatmetal reported two separate sets of foreign exchange rates: the foreign exchange rates for domestic sales were extracted from the company's accounting system, while the exchange rates applicable to EU sales were reported from the customs invoice. The Commission identified several instances of non-matching exchange rates on the same date reported from the company's accounting system. The Commission further noted that the customs exchange rates used in the sales to the Union to unrelated customers for the same dates were lower than the exchange rates reported from the company's accounting system.

(372) Fourth, with regard to EU sales reported by Tatmetal, the Commission identified a number of transactions which were in fact exported to North Macedonia, not the Union. These transactions were registered in the port of Thessaloniki, but the final destination was located in North Macedonia, as corroborated with the company source data and the collected sampled transactions.

(373) Fifth, the transport expenses reported in EU sales table were not complete. Several CIF and CFR transactions did not have corresponding ocean freight or handling expense invoices reported.

(374) In its comments, with regard to point one on the PCN construction, Tatmetal argued that full hard products did not have a surface quality and were not described by the relevant European norm (EN 10130) in the same way as annealed cold-rolled products and that allocating a surface quality as defined in the PCN would have led to providing misleading information.

(375) The Commission considered the unexposed surface aspect as the most suitable to full hard products, as full hard products are not meant to be exposed and are not finished in the sense of EN 10130. The Commission reclassified the affected PCN in the domestic sales listing and EU sales listing.

(376) With regard to point two on sales made to the free trade zones in Türkiye, Tatmetal submitted that free trade zone sales were not domestic sales under Tatmetal's accounting rules, and they could not be identified as EU-specific export sales under Turkish Law. Tatmetal alleged that free trade zone sales were defined by the Turkish law as export sales, not domestic sale, as under Turkish export and VAT legislation[105] shipments from Türkiye to a free zone fall within the export regime. Tatmetal further quoted the Law No. 3218 on Free Zones, adopted on 6 June 1985[106], under which free zones, although forming part of the Turkish Customs Territory, are treated as outside that territory for the purposes of import duties and trade-policy measures, and goods placed in a free zone ordinarily benefit from the facilities attached to exportation. Furthermore, Tatmetal submitted supporting documents concerning the freight cost for the transactions sold to the free zones in case the Commission decided to treat the sales as either domestic or EU sales.

(377) The Commission noted the explanation of Tatmetal that, although the free zones form part of the Turkish Customs Territory, they are treated as outside that territory for the purposes of import duties and trade-policy measures. In the present case, the Commission observed that the product under investigation was sold to customers in the free zones, which are part of the Turkish Customs Territory. Tatmetal claimed that they had no information on what happened to the goods after the sales were concluded. The Commission noted from the websites of the respective customers that their business activities were in downstream industries, such as kitchenware and steel shelves systems. Substantial transformation of the product under investigation was therefore necessary in the free zones, under the Turkish Customs Territory, before the subsequent export. The Commission therefore treated these sales as sales to the domestic market.

(378) Furthermore, the Commission noted that the additional supporting documents concerning the transport cost for the transactions sold to the free zones in Türkiye consisted of a worksheet for domestic freight cost with a unit freight cost per zones in Türkiye. The Commission noted that Tatmetal did not provide any actual accounting data supporting the allocation of freight expenses to the sales to the free trade zones. The argument was rejected.

(379) With regard to point three on exchange rates, Tatmetal submitted that for export sales, it reported the foreign exchange rate ('FX') based the customs closing date ('intac'), whereas for domestic sales Tatmetal applied the Turkish Central Bank ('TCB') daily exchange rate. Tatmetal explained that the buying rate of TCB applied for EU sales listing, and the selling rate of TCB applied for domestic sales listing.

---

105 Export Regulation (İhracat Yönetmeliği), Official Gazette No. 26190, 6 June 2006

106 Official Gazette No. 18785, 15 June 1985

(380) The Commission noted that Tatmetal made a deliberate choice of converting the net invoice value in TRY with a FX based on the customs closing date (intac). It remained unclear why the FX rate on the intac date was more appropriate to use instead of the FX rate of the invoice date, except for the company's statement that this approach was aligned with the accounting records. The Commission observed that, in most of the cases, the intac exchange rate reported in the EU sales listing was higher than the buying or selling FX applicable at the same invoice date reported in the EU sales listing. This resulted in an increased value of the invoice in the accounting currency in comparison to the FX of the Turkish Central Bank, applied for the foreign currency sales on the domestic market. The company only explained to the Commission that it did not use the FX rate of the invoice date in sales to the Union to unrelated customers during the on-spot verification. Such late disclosure of information prevented the Commission's from analysing the submitted data properly, so impeding the investigation significantly.

(381) The Commission further noted that the FX reported in the EU sales listing applicable at the purchase order date were in some cases different from the FX reported in the domestic sales listing applicable at the purchase order date. In this situation, the Commission considered that a consistent use of the monthly average FX rates as appropriate to correct the inconsistencies and incorrectly reported FX rates. The Commission therefore applied the facts available with regards to the reported FX rates. The arguments of Tatmetal were rejected on those grounds.

(382) With regard to point four on sales to North Macedonia, Tatmetal explained that the sales listing could have been inaccurate or misleading for destination-allocation purposes because they could have reflected customer address information, invoice-related data, automatically assigned ERP addresses, or incorrect preliminary shipment information. For this reason, Tatmetal reported the country information on the basis of the official customs list. Tatmetal submitted documents to demonstrate that the final destination of the product under investigation of the transactions mapped by the Commission were shipped to Greece, not North Macedonia.

(383) The Commission noted that Tatmetal decided to rely on the information from the export customs declaration. In the additional documents submitted, Tatmetal referred to the delivery term (CIF/CFR Thessaloniki) and the port of discharge from the export customs declaration (Thessaloniki, Greece). For the transactions sampled by the Commission, in all four instances the final destination on the sales order confirmation was North Macedonia, and/or the buyers address was located in North Macedonia, and/or the buyers address at the invoice was located in North Macedonia, and the final destination in the ERP sales order entries in all four instances was located in North Macedonia. Additionally, Tatmetal did not support its claim by, e.g. submitting the customs import declaration, delivery notes, or complete bill of lading / packing list with the final destination. As the Commission was not able to confirm whether these transactions ended in the Union, it excluded them from the EU sales listing. The argument was rejected. In further checks, the Commission identified an additional transaction, which was sold to Switzerland. This transaction was removed from the EU sales listing.

(384) With regard to point five on transport expenses in EU sales listing, Tatmetal argued that certain cost associated with export were not directly identifiable in the customs declaration forms. Instead, those costs were reported in the selling, general and administrative cost of export sales, in the category ''others'' or in ''headquarter

fees''. In reply to the Article 18 letter, Tatmetal carried out manual review of affected sales to report missing ocean freight and reported the additional ocean freight and handling expense.

(385) The Commission reviewed the submitted calculations and working files for the missing export-related handling cost and ocean freight and accepted the calculation.

(386) On 15 July 2026, the Commission informed Tatmetal that it identified further issues on which basis it intended to apply the provisions of Article 18 of the basic Regulation ('second Article 18 letter').

(387) The Commission pointed out that the company did not provide any evidence supporting the allocation of freight expenses to domestic sales transactions. During the on-spot verification, the company claimed that there was no link between the freight cost incurred on the domestic market and the individual transactions. The company explained how it used internal data to report the freight cost for domestic sales transactions. In this respect, the company failed to provide access to the data used to establish the values of freight cost reported per transaction and only provided the preparation worksheet for domestic sales transactions that contained the reported allowances, including freight cost, on the very last day of the on-spot verification. Furthermore, the relevant employees were not available for further clarifications during the on-spot verification. Finally, no documentary evidence, e.g. invoices received from transportation companies, was submitted although explicitly requested.

(388) In its comments, Tatmetal first argued that there was no indication in the verification report that Tatmetal had failed to provide the necessary information or that the provided information could not have been verified.

(389) Second, the company maintained that contrary to the Commission's claim, the logistics employees were available via phone and would have made themselves available in person if the Commission requested so.

(390) Third, the company claimed that there was no greater level of specific evidence other than the internal data reflected in the preparation worksheet for the reported domestic sales transactions that could corroborate the freight cost reported for domestic sales transactions.

(391) Fourth, Tatmetal argued that the Commission's expectation that the company should have provided additional corroborative evidence unsolicited and on its own initiative is unreasonable and in contravention of the Commission's obligations under Article 6.1 of the WTO Agreement on the Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 ('WTO AD Agreement').

(392) Fifth, the company claimed that the Commission was provided with the masterfile for domestic sales transactions on the first day of the on-spot verification rather than on the last day as claimed by the Commission. Another preparation worksheet was submitted on the last day of the on-spot verification as that was the moment when the Commission requested it.

(393) Finally, the company submitted that the unit freight cost data included in the preparation worksheet provided on the last day of the verification together with the shipping documents should be considered a reasonable method of providing sufficient evidence supporting the reported allowances for domestic freight.

(394) Notwithstanding the above, Tatmetal submitted the internal record of freight cost and invoices issued for transportation services rendered in its comments to the Article 18 letter.

(395) The Commission recalled that the verification report contains an account of the verification process. It does not provide any judgment on the level of cooperation by the verified company. The verification report correctly captured the explanations provided by the company with regard to the freight cost related to domestic sales transactions without making any conclusions concerning the adequacy of the provided evidence. Therefore, the fact that the verification report did not identify the deficiencies in the supporting evidence provided cannot be understood as the Commission's acceptance of the data. Consequently, the Commission rejected the claim described in recital (388).

(396) With regard to the timeliness of the provision of data used for the preparation of the questionnaire reply concerning the domestic sales transactions and related cost and the availability of the relevant personnel, it must be noted that the company's general inability to provide explanations and to substantiate the information provided in other parts of the questionnaire reply caused delays in the verification process. Consequently, the Commission was only allowed to examine the domestic and export sales transactions on the very last day of the on-spot verification. Therefore, the Commission was forced to prioritise and was not able to inspect the provided information in such a level of detail as that which would normally be necessary. Therefore, any potential availability of the logistics staff to join the verification in person was irrelevant since the Commission was only informed about the method used to report domestic freight on the very last day of the on-spot verification. The company's claim that a masterfile for domestic sales was provided on the first day of the verification is incorrect. The company indeed submitted several so-called masterfiles. With regard to sales, it provided a sales report that did not contain any information on freight expenses, i.e. it was not relevant to the issue at hand. Consequently, the arguments presented in recitals (389) and (392) were dismissed.

(397) With regard to the company's claim that shipping documents (documents proving that the goods were handed over to the carrier for transportation) and unsupported unit freight cost are appropriate method to corroborate the reported freight cost for domestic transactions, in particular as there was allegedly no more specific evidence available in the company, the Commission noted that the company itself submitted transport invoices in response to the second Article 18 letter. This clearly shows that the company was in possession of evidence that could corroborate the domestic freight cost. Therefore, the company's claims detailed in recitals (390) and (393) were rejected.

(398) With regard to the documentation submitted in response to the second Article 18 letter, the Commission rejected it as its veracity could not be verified at this stage of the procedure.

(399) Finally, the Commission disagreed that it was in breach of Article 6.1 of the WTO AD Agreement when it expected the company to provide evidence corroborating the reported freight cost on its own initiative. The Commission requested documents for a sample of domestic sales transactions that would support the reported data, such as product type, customer, destination, relationship with the customer, sales quantity and price, cost incurred on the sales transaction. The

Commission specifically requested documents supporting the reported freight cost. The company however failed to provide such documents although it was clearly in possession of transport invoices as explained in recitals (394) and (397). Consequently, the Commission rejected the claim described in recital (391).

3.5.2.2. Borçelik Çelik Sanayi Ticaret A.Ş., Bursa (‘Borcelik’)

(400) Under point 10 of the Notice of initiation, the Commission reminded the interested parties that it they refused access to or did not provide necessary information within the time limits, or significantly impeded the investigation, the findings might be based on facts available in accordance with Article 18 of the basic Regulation. The Commission further reiterated the consequences of the lack of cooperation in the letter sent to the sampled exporting producers on 18 September 2025 on their inclusion in the sample.

(401) On 17 June 2026, the Commission informed Borcelik that a number of issues arose during the investigation that might lead to the application of Article 18 of the basic Regulation.

(402) First, the Commission requested the company to submit a trial balance four times, in the questionnaire, in the first and second deficiency letters, and at the beginning of the on-spot verification when it transpired that the version prepared by the company was missing certain data. The trial balance provided by the company following the fourth request was in a format that required further processing. The failure of the company to submit the requested trial balance in a proper format delayed the investigation.

(403) Second, the company did not provide all information requested in table G – Profit & Loss. In particular, the company only decided to provide a breakdown of foreign exchange gains and losses into actual and translations during the on-spot verification. Considering the large number of accounts, on which foreign exchange gains and losses were recorded, the Commission could not satisfactorily verify the submitted information.

(404) Third, despite being specifically requested to provide, well ahead of the on-spot verification, any corrections to minor errors the company noticed while preparing for the verification, the company only submitted such corrections on the first day of the verification. In addition, some of the corrections performed in the data on domestic sales could not be considered minor. As a result of those corrections, the freight expenses linked to individual domestic sales transactions increased by 250%.

(405) Fourth, the freight expenses linked to the domestic sales transactions were supported by evidence submitted by the company (reports on shipments and shipping cost extracted from the company’s records) for only a negligible share of the domestic sales representing less than 3% of the relevant transactions.

(406) Fifth, only during the on-spot verification, the company informed the Commission that it did not report freight expenses incurred for transport of the product under investigation between the factory and an external warehouse. The supporting evidence mentioned in recital (405) did not contain the necessary information either.

(407) The company requested a hearing with the Commission services and submitted comments on the Commission’s intention to apply Article 18 of the basic Regulation with regard to the issues described in recitals (402) to (406).

(408) During the hearing and in its comments, Borcelik contested the Commission's intention to apply facts available under Article 18 of the basic Regulation and argued that Borcelik did not impede the course of the investigation.

(409) With regard to the first point on trial balance, Borcelik claimed that the trial balance covering costs and revenues accounts for the whole investigation period was already provided in the initial questionnaire reply, and thus the Commission already had the information relevant for the determination of SG&A expenses on the record. Borcelik added that the trial balance for assets and liabilities accounts was provided in response to the first deficiency letter. After the second deficiency letter, a full trial balance covering assets, liabilities, costs and revenues was submitted, and the full trial balance was also provided during the onsite verifications.

(410) The Commission noted that in its comments on the Article 18 letter, Borcelik merely recounted how the trial balance was submitted. The company's account confirmed that the trial balance was submitted in parts, and that the Commission received a full version only during the onsite verification. In this respect, it must be noted that the reply to the second deficiency letter was due and submitted at the beginning of the verification visit. Therefore, the Commission considered that the factual account submitted by the company in its the comments on the Article 18 letter confirmed the Commission's observations. In addition, nothing in the company's comments contradicts the Commission's conclusions that the full trial balance was received only very late in the proceeding, which undermined the analysis of the data submitted by the company. Consequently, the Commission confirmed its findings that the late submission of the full trial balance impeded the investigation.

(411) With regard to the second point on the breakdown of foreign exchange gains and losses, Borcelik claimed that apart from the relevant table containing two separate lines for realised and translation gains and losses, the questionnaire itself did not explicitly require a breakdown of those expenses. In addition, the company maintained that neither Article 2(6) of the basic Regulation, Article 2.2.2 of the WTO Anti-dumping Agreement, nor the Union case law make a distinction between realised and translation foreign exchange gains and losses. In Borcelik's view, a breakdown of foreign exchange gains and losses into realised and translations therefore did not constitute necessary information. Borcelik further argued that should the Commission consider the breakdown necessary information, it should have requested it in the deficiency letter. Finally, the company challenged the Commission's conclusions that the late provision of the breakdown and the underlying evidence (account ledgers) impeded the investigation, as the Commission should have been aware of the large number of accounts on which foreign exchange gains and losses were booked from the initial questionnaire reply. Borcelik maintained that resort to facts available was unwarranted for this issue, as the account ledgers for foreign exchange gains and losses were verifiable during the verification visit and collected as verification exhibits.

(412) The Commission noted that Borcelik did not dispute the fact that the information requested in the relevant table of the questionnaire, which is an integral part of the questionnaire, was not provided. The fact that the Commission does not focus on a specific deficiency in the deficiency letter issued to the company, does not invalidate the initial request to provide the respective information stemming from the content of the anti-dumping questionnaire. Furthermore, the fact that the company on its own initiative submitted a revision where it separated the two categories of foreign

exchange gains and losses right before the verification of the relevant parts of the questionnaire reply confirmed that it was aware that the breakdown constituted necessary information. The Commission further considered that it had the discretion to verify the realised and translation foreign exchange gains and losses to ensure that these amounts were correctly attributed to SG&A expenses based on actual data pertaining to production and sales of the production under investigation. Finally, indeed the Commission was aware of the number of accounts on which foreign exchange gains and losses were booked. The breakdown provided by the company during the onsite verification was however disconnected from the titles of the relevant accounts. This means that any assumptions drawn from the information provided in the questionnaire reply would have been meaningless should the Commission rely on the account titles in its analysis. The Commission therefore confirmed its conclusion that the fact that Borcelik split the foreign exchange gains and losses into realised and translations only during the onsite verification caused delays in the verification schedule.

(413) With regard to the third and fourth points on transport related expenses, Borcelik alleged that the Commission's instructions on deadlines were conflicting, as the pre-verification letter suggested that changes submitted at the start of verification would not automatically trigger the use of Article 18 of the basic Regulation. Borcelik further claimed that the impact of these corrections was not that substantial and that the Commission misunderstood the information contained in data collected during the onsite verification, which according to the company contained only examples of the calculation of freight expenses for domestic sales. Finally, the company submitted that other error corrections that were reported at the same time were accepted by the Commission.

(414) The Commission noted that Borcelik did not dispute the fact a revised version of domestic freight expenses was provided only at the start of the verification. The deadlines communicated to the company were clear. First, the Commission set a deadline for corrections of minor errors discovered during preparation for the onsite verification. The deadline for those corrections was set for a date preceding the beginning of the verification. The Commission also stated that any corrections provided after the beginning of the verification may give rise to the application of Article 18 of the basic Regulation. Second, the Commission indeed requested further information on domestic sales that were due at the beginning of the verification. The Commission however considered that this additional request did not constitute a new opportunity to provide further corrections. The Commission maintained its position concerning the severity of the corrections provided. They concerned around 60% of domestic sales and the reported domestic sales expenses increased by 250%. Other corrections were indeed accepted as they were minor and did not change the picture of the submitted information significantly. Finally, the Commission considered that there was no evidence on the file supporting the claim that the provided data on domestic freight expenses was a mere example. First, the company did not present it as an example during the onsite verification. Second, the collected extract from the company's records contained information for all months of the investigation period and covered several transport companies. Therefore, it is not clear how such dataset can represent a mere sample of the full information on domestic freight expenses. Therefore, the company's claim that the issue at hand did not warrant the use of facts available was rejected.

(415) The company did not contest the Commission's findings concerning the fifth point on the reporting of transport expenses for sales channels where external warehouses were involved.

3.5.3. *Normal value*

(416) The Commission first examined whether the total volume of domestic sales for each sampled cooperating exporting producer was representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales are representative if the total domestic sales volume of the like product to independent customers on the domestic market per exporting producer represented at least 5% of its total export sales volume of the product concerned to the Union during the investigation period. On this basis, the total sales by each sampled exporting producer of the like product on the domestic market were representative.

(417) The Commission subsequently identified the product types sold domestically that were identical or comparable with the product types sold for export to the Union for the exporting producers with representative domestic sales.

(418) The Commission then examined whether the domestic sales by each sampled exporting producer on its domestic market for each product type that is identical or comparable with a product type sold for export to the Union were representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales of a product type are representative if the total volume of domestic sales of that product type to independent customers during the investigation period represents at least 5% of the total volume of export sales of the identical or comparable product type to the Union. The Commission established that for a small number of product types that were exported to the Union during the investigation period, there were either no domestic sales at all, or the domestic sales of that product type were below 5% in volume and thus not representative.

(419) The Commission next defined the proportion of profitable sales to independent customers on the domestic market for each product type during the investigation period in order to decide whether to use actual domestic sales for the calculation of the normal value, in accordance with Article 2(4) of the basic Regulation.

(420) The normal value is based on the actual domestic price per product type, irrespective of whether those sales are profitable or not, if:

- (b) the sales volume of the product type, sold at a net sales price equal to or above the calculated cost of production, represented more than 80% of the total sales volume of this product type; and
- (c) the weighted average sales price of that product type is equal to or higher than the unit cost of production.

(421) In this case, the normal value is the weighted average of the prices of all domestic sales of that product type during the IP.

(422) The normal value is the actual domestic price per product type of only the profitable domestic sales of the product types during the IP, if:

- (d) the volume of profitable sales of the product type represents 80% or less of the total sales volume of this type: or
- (e) the weighted average price of this product type is below the unit cost of production.

(423) The analysis of domestic sales showed that less than 30% of all domestic sales of Tatmetal and less than 50% of all domestic sales of Borcelik were profitable and that the weighted average sales price was higher than the cost of production. Accordingly, the normal value was calculated as a weighted average of the prices of all domestic sales during the investigation period or a weighted average of the profitable sales only.

(424) For the product types for which sales were overall profitable, the normal value was calculated either as a weighted average of the prices of all domestic sales during the investigation period or as a weighted average of the profitable sales only depending on the volume of profitable sales.

(425) Where there were insufficient sales of a product type of the like product in the ordinary course of trade or where a product type was not sold in representative quantities on the domestic market, the Commission constructed the normal value in accordance with Article 2(3) and (6) of the basic Regulation. For the product types for which there were no sales on the domestic market and where there was no specific information about market prices for those product types not sold by the sampled exporting producers on the domestic market, the Commission constructed the normal value in accordance with Article 2(3) and (6) of the basic Regulation.

(426) Normal value was constructed by adding the following to the average cost of production of the like product of the cooperating sampled exporting producers during the investigation period:

(a) the weighted average SG&A expenses incurred by the cooperating sampled exporting producers on domestic sales of the like product, in the ordinary course of trade, during the IP; and

(b) the weighted average profit realised by the cooperating sampled exporting producers on domestic sales of the like product, in the ordinary course of trade, during the IP.

(427) For the product types not sold in representative quantities on the domestic market, the average SG&A expenses and profit of transactions made in the ordinary course of trade on the domestic market for those types were added. As there was no other source of domestic sales price for the product types not sold at all on the domestic market, the normal value was constructed by adding weighted average SG&A expenses and profit of all transactions made in the ordinary course of trade on the domestic market to the cost of production of those product types.

(428) Considering the Commission’s conclusions on the partial lack of cooperation by Borcelik, the Commission used facts available to estimate the following elements of the SG&A expenses:

– Freight expenses incurred by the company for transport of the product under investigation between the factory and an external warehouse;

– Total value of freight expenses that could not be allocated to individual domestic sales transactions due to the lack of supporting evidence.

(429) With regard to the freight expenses, the Commission rejected the allocation of freight expenses per transaction. Instead, the Commission included the total reported value in the SG&A expenses used to determine the profitability of domestic sales.

(430) With regard to the freight expenses between the factory and the warehouse, the Commission used the information on the location of those warehouses and estimated the average unit freight cost based on the freight expenses reported by the company on a transaction-by-transaction basis. Such expenses were the best available information on the file for the estimation of the missing freight expenses, despite the Commission having rejected the allocation. Although the underlying data was flawed and overall, not entirely reliable, without estimating the cost of transport between the factory and the external warehouses, the SG&A expenses would have been undervalued.

(431) As detailed in recitals (403) and (410), the Commission identified issues with the information on foreign exchange gains and losses provided by the company. Although the data was provided with a significant delay, the Commission concluded that it was detailed enough to establish a reliable value of realised foreign exchange gains and losses to be included in the SG&A expenses.

(432) Borcelik sourced hot-rolled coils, the main raw material in the manufacturing of CRF, partially from a related supplier, AMFCE. Therefore, the Commission examined whether those purchases were made at arm's length prices. The Commission compared the sales prices of AMFCE to unrelated customers for relevant steel grades with the sales prices to Borcelik at ex-works level. The Commission found that AMFCE sold hot-rolled coils of relevant steel grades to unrelated customers for prices higher than prices charged to Borcelik for comparable steel grades. Consequently, the Commission adjusted the cost of hot-rolled coils reported by Borcelik to an arm's length level. This resulted in an increase of the cost of production of 1,8%.

(433) The adjusted cost of production was used for the profitability analysis of domestic sales described in recital (419), as well as for the construction of the normal value described in recitals (426) and (427).

(434) Considering the Commission's conclusions on the partial lack of cooperation by Tatmetal, the Commission used facts available to estimate the total value of freight expenses of the SG&A cost that could not be allocated to individual domestic sales transactions due to the lack of supporting evidence.

(435) Following the facts set out in recital (387), the Commission rejected the allocation of freight expenses per transaction in the domestic sales listing. Instead, the Commission included the total reported value in the SG&A expenses used to determine the profitability of domestic sales.

3.5.4. *Export price*

(436) The sampled exporting producers exported to the Union either directly to independent customers or through related companies acting as an importer.

(437) For the exporting producers that exported the product concerned directly to independent customers in the Union, the export price was the price actually paid or payable for the product concerned when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.

(438) For the exporting producers that exported the product concerned to the Union through related companies acting as an importer, the export price was established on the basis of the price at which the imported product was first resold to independent customers in the Union, in accordance with Article 2(9) of the basic Regulation. In this case, adjustments to the price were made for all costs incurred

between importation and resale, including SG&A expenses, and for profits accruing. The profit margin used for the adjustments was 2%, as explained in recital (250) above.

3.5.5. Comparison

(439) Article 2(10) of the basic Regulation requires the Commission to make a fair comparison between the normal value and the export price at the same level of trade and to make allowances for differences in factors which affect prices and price comparability. In the case at hand the Commission chose to compare the normal value and the export price of the sampled exporting producers at the *ex-works* level of trade. As further explained below, where appropriate, the normal value and the export price were adjusted in order to: (i) net them back to the *ex-works* level; and (ii) make allowances for differences in factors which were claimed, and demonstrated, to affect prices and price comparability.

3.5.5.1. Adjustments made to the normal value

(440) As explained in recital (439), the normal value was established at the ex-works level of trade by using costs of production together with amounts for SG&A expenses and for profit, which were considered to be reasonable for that level of trade. Adjustments were made under Article 2(10) for exchange rates, transport, insurance, handling, loading and ancillary costs, packing costs, discounts and rebates, credit cost and warranties and guaranties provided to independent domestic customers.

(441) Both Turkish exporting producers claimed an adjustment for duty drawback under Article 2(10)(b) of the basic Regulation for the import duty on hot-rolled flat steel coils (HRC). Borcelik and Tatmetal claimed that the import duties need to be paid for imported materials and that the cost of production for domestic sales is higher than for export sales, which do not incur this additional cost of import duties.

(442) In Türkiye, an import duty applies on HRC, which are inputs in the manufacture of cold-rolled flat steel products. However, under the inward processing regime (‘IPR’), domestic producers are exempted from the payment of such duty if the imported HRC are used to produce finished products that are finally exported. The two sampled exporters did not provide evidence of payment of the import duty during the investigation period that would warranty an adjustment for the purpose of fair comparison. On the contrary, the provided information showed that they fulfilled the export commitment linked to each IPR permit. For this reason, the claim was considered unfounded and therefore rejected.

3.5.5.2. Adjustments made to the export price

(443) In order to net the export price back to the ex-works level of trade, adjustments were made on the account of freight, insurance, handling loading and ancillary expenses.

(444) Allowances were made for the following factors affecting prices and price comparability: packing cost, credit cost and bank charges.

(445) With regards to Tatmetal, due to the significant inconsistencies in the FX reported in the domestic sales listing and the EU sales listing, as described in recitals (380) to (382), the Commission applied facts available. The Commission replaced the reported daily foreign exchange rates with the monthly exchange rates provided for in the anti-dumping questionnaire for exporting producers.

3.5.5.3. Currency conversions

(446) Domestic sales were carried out in various currencies, including TRY, EUR, USD. Exports to the Union were performed in EUR or USD. Therefore, a currency conversion was necessary to compare the normal value with the export price. The Commission converted the sales prices to TRY, the accounting currency of the sampled exporting producers.

(447) To determine which date should be considered the date of sale pursuant to Article 2(10)(j) of the basic Regulation, the Commission examined whether the material terms of sale were established based on the invoice or the purchase order/sales contract. The Commission found that a vast majority of sales were based on individual purchase orders rather than long-term sales contracts. The purchase order defined the material terms of sale, such as the product specifications, quantity, time of delivery, unit price (normally denominated in a foreign currency, mainly USD), payment term. The purchase order allowed for a tolerance in the quantity delivered, the price was however definitely set in the purchase order. The evidence collected from the sampled exporting producers confirmed that prices charged in the invoice were not adjusted to reflect the fluctuations of CRF prices or the fluctuations of the exchange rates between the currency of the purchase order and the accounting currency of the sampled exporting producers. Therefore, the Commission found that the purchase order more appropriately established the material terms of sale and thus its date should be used for currency conversions under Article 2(10)(j) of the basic Regulation.

3.5.6. Dumping margins

(448) For the sampled cooperating exporting producers, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price of the corresponding type of the product concerned, in accordance with Article 2(11) and (12) of the basic Regulation.

(449) On this basis, the definitive weighted average dumping margins expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
Borçelik Çelik Sanayi Ticaret A.Ş.	9,7%
Tatmetal Çelik Sanayi ve Ticaret A. Ş.	5,6%

(450) For the cooperating exporting producers outside the sample, the Commission calculated the weighted average dumping margin, in accordance with Article 9(6) of the basic Regulation. Therefore, that margin was established on the basis of the margins of the sampled exporting producers, disregarding the margins of the exporting producers with zero and *de minimis* dumping margins, as well as margins established in the circumstances referred to in Article 18 of the basic Regulation.

(451) Given the factual circumstances of the case, notably that non-cooperation was only established at a late stage of the procedure and the Commission only partially relied on facts available to establish both margins, the Commission considered that Article 9(6) still applied despite having established the margins of both sampled exporting producers in the circumstances referred to in Article 18 of the basic Regulation. Consequently, the Commission found it appropriate to rely on those margins to set

the dumping margin for the non-sampled cooperating exporting producers. On this basis, the definitive dumping margin of the cooperating exporting producers outside the sample is 7,3%.

(452) For all other exporting producers in Türkiye, the Commission established the dumping margin on the basis of the facts available, in accordance with Article 18 of the basic Regulation. To this end, the Commission determined the level of cooperation of the exporting producers. The level of cooperation is the volume of exports of the cooperating exporting producers to the Union expressed as proportion of the total imports from the country concerned to the Union in the IP, that were established on the basis of Eurostat.

(453) The level of cooperation in this case is high because the exports of the cooperating exporting producers constituted 100% of the total imports during the investigation period. On this basis, the Commission decided to establish the dumping margin for non-cooperating exporting producers at the level of the sampled company with the highest dumping margin.

(454) The definitive dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
Borçelik Çelik Sanayi Ticaret A.Ş.	9,7%
Tatmetal Çelik Sanayi ve Ticaret A. Ş.	5,6%
Other cooperating companies	7,3%
All other imports originating in country concerned	9,7%

3.6. Vietnam

3.6.1. Particular market situation: push-out effect

3.6.1.1. Analysis

(455) In order to establish the existence of a PMS in the market of Vietnam due to the push-out effect of Chinese imports of CRF, the Commission carried out the following analysis: first, the Commission analysed the degree of penetration of Chinese imports in Vietnam's domestic market in terms of volume; secondly, the Commission looked at the impact of these imports on the prices in Vietnam's domestic market.

(456) In its analysis, the Commission relied on indicators at country-wide level provided by the authorities of Vietnam, and at company level provided by the sampled group of exporting producers, POSVIET. Both sets of indicators were verified on spot, as indicated in recital (100).

3.6.1.1.1. Domestic market: volume effect

(457) At the outset, the Commission analysed the consumption of CRF in Vietnam as reported by the authorities of Vietnam on the basis of domestic sales and imports.

(458) Consumption in Vietnam developed as follows:

Table 20 — Consumption in Vietnam (tonnes)				
	2022	2023	2024	Investigation period
Consumption in Vietnam	[2 250 000 - 2 350 000][107]	[2 150 000 - 2 250 000]	[2 800 000 – 2 900 000]	[3 100 000 – 3 200 000]
Index	*100*	*94*	*124*	*138*
Source: TRAV				

(459) Between 2022 and 2024, the most recent year with available data, the consumption in Vietnam increased by 23 percentage points. The increase in consumption of product under investigation was driven by several laws, resolutions, and policy measures adopted by the GOV aimed at promoting public investment, particularly in infrastructure and construction, during the period 2024–2025[108].

(460) Imports of the product under investigation into Vietnam developed as follows:

Table 21 — Import quantity into Vietnam (tonnes)					
Country		2022	2023	2024	Investigation period
Total imports, of which:	Quantity of imports	266 580	203 390	286 455	314 187
	Index	*100*	*76*	*107*	*154*
PRC	Quantity of imports	136 484	108 229	156 655	144 106
	Index	*100*	*79*	*115*	*106*
Japan	Quantity of imports	67 681	53 610	86 382	124 213
	Index	*100*	*79*	*128*	*184*
Taiwan	Quantity of imports	28 305	21 043	19 197	17 753
	Index	*100*	*74*	*68*	*63*
South Korea	Quantity of imports	18 691	10 758	13 080	15 208

107 For confidentiality reasons, the data is disclosed in ranges.

108 For instance, Resolution No. 103/2023/QH15, Resolution No. 192/2025/QH15, Resolution No. 1321/NQ-UBTVQH15, Resolution No. 162/2024/QH15 or Resolution No. 189/2025/QH15.

	Index	*100*	*58*	*70*	*81*
Australia	Quantity of imports	3 858	4 387	7 764	9 664
	Index	*100*	*114*	*201*	*250*
Source: Customs Authority of Vietnam					

(461) Import data show that the imports of the product under investigation into Vietnam increased by 54% between 2022 and the IP. This increase of imports reflected the increase in domestic consumption, stimulated by the Vietnamese government plans to increase infrastructure investments in 2024 and 2025.

(462) Out of these imports, the import volumes of CRF from the PRC increased by 6% between 2022 and the IP. In the total volumes of imports, the share of imports from the PRC decreased from 51% in 2022 to 46% in the IP. The PRC nevertheless remained the first source of imports of CRF into Vietnam throughout the period considered.

(463) In parallel, the domestic sales of the product under investigation in Vietnam developed as follows:

Table 22 — Domestic sales quantity (tonnes)

	2022	2023	2024	Investigation period
Total sales quantity on the Vietnam market, of which:	[2 000 000- 2 100 000]	[1 900 000 – 2 00 000]	[2 500 000 – 2 600 000]	[2 700 000 – 2 800 000]
Index	*100*	*97*	*126*	*140*
Source: TRAV (2022 to 2024); for the IP, since the Vietnamese authorities did not provide domestic sales, the Commission calculated them on the basis of the verified questionnaire reply from the sampled exporting producer POSVIET.				

(464) The domestic sales included the free-market sales and captive sales. The sales quantities increased by 26% between 2022 and 2024, in line with the increased domestic consumption described in recital (459).

(465) Based on the data above on consumption, imports and domestic sales, the market shares in Vietnam developed as follows:

Table 23 — Market share[109]				
	2022	2023	2024	Investigation period
Domestic industry	[85%-90%]	[87%-92%]	[86%-91%]	[85%-90%]
Imports, of which:	[10%-12%]	[9%-11%]	[10%-12%]	[10%-12%]
1. PRC	[5%-7%]	[4%-6%]	[4%-6%]	[4%-6%]
2. Japan	[2%-4%]	[2%-4%]	[2%-4%]	[3%-5%]
3. Taiwan	[0%-2%]	[0%-2%]	[0%-2%]	[0%-2%]
4. South Korea	[0%-2%]	[0%-2%]	[0%-2%]	[0%-2%]
5. Australia	[0%-2%]	[0%-2%]	[0%-2%]	[0%-2%]
Source: Trade Remedies Authority of Vietnam				

(466) In terms of market share, the market share of the domestic industry remained above 85% in all years between 2022 and the IP. The market share of imports also remained stable at [10%-12%] between 2022 and the IP. The market share of Chinese import decreased slightly, from [5%-7%] in 2022 to [4%-6%] in 2024.

(467) Both the increase of total import volumes described in recital (460) and the increase of domestic sales described in recital (463) mirrored in the increase of domestic consumption described in recital (458), and as a consequence the market shares of both remained at roughly the same levels. Given the volumes, it follows that it was mainly the Vietnamese industry that benefitted from the increasing consumption.

(468) In view of the above, the Commission concluded that the Vietnamese domestic industry had a dominant position in the Vietnamese market from 2022 to the IP, with no other country with a market share above 6%.

3.6.1.1.2. Domestic market: price effect

(469) The Commission subsequently analysed the effect of Chinese imports on prices in Vietnam's domestic market. In order to do that and given that the market share of countries other than China was small, the Commission analysed the unit prices of imports from China and of domestic sales.

(470) The unit price of imports and domestic sales developed as follows:

109 Ranges were given for confidentiality reasons.

Table 24 — Sales prices in Vietnam (EUR[110]/tonne)[111]				
	2022	2023	2024	Investigation period
Average unit import price into Vietnam (CIF) from the PRC	[900 - 1 000]	[700 - 800]	[650 – 750]	[650 – 750]
Index	*100*	*78*	*73*	*72*
Average unit domestic sales price in Vietnam	[650 – 750]	[500 – 600]	[450 – 550]	[500 – 600][112]
Index	*100*	*77*	*74*	*84*
Source of import prices: Customs Authority of Vietnam *Source of domestic sales prices: TRAV*				

(471) The price analysis showed that throughout the period considered, the average Chinese import price was constantly significantly above the average Vietnamese domestic price, with both following a similar downward trend.

3.6.1.2. Conclusion on push-put effect

(472) Based on the above, the limited penetration of Chinese imports into Vietnam in the period examined had no downward effect on the domestic prices. Indeed, the Vietnamese industry had most of the Vietnamese market share from 2022 to the IP, while the market share of Chinese imports was insignificant in comparison. Chinese import prices were consistently above Vietnamese domestic prices. Consequently, the Commission concluded that Chinese imports did not create a PMS in the Vietnamese market.

3.6.2. Particular market situation: other claims

(473) The Commission also investigated whether the measures identified in the complaint and that allegedly distorted the cost of production of CRF in Vietnam led a particular market situation in the sense of Article 2(3) of the basic Regulation. These measures were:

(a) Export restrictions applicable to iron ore, steel scrap and coal,

(b) Presence of vertically integrated producers on the market,

110 The Customs Authority registers prices in USD and VND. The domestic sales prices are registered in VND. The Commission applied the official exchange rate to convert the prices into EUR.

111 Ranges were given for confidentiality reasons.

112 For the investigation period, the domestic sales price is based on POSVIET's data.

(c) Significant production of CRF from hot-rolled products originating in the PRC; and

(d) Other regulatory initiatives,

(474) With regard to points a) on export restrictions applicable to iron ore, steel scrap and coal, b) on vertical integration of producers, and point c) on significant production of CRF from HRC originating in the PRC, the investigation established that POSVIET produced the product under investigation exclusively from hot rolled coils and that the majority of those coils[113] were sourced from South Korea. POSVIET therefore was neither integrated, nor used iron ore, steel scrap and coal from Vietnam nor hot-rolled products originating in the PRC.

(475) With regard to point d) Other regulatory initiatives, the Commission noted that the Steel Industry Development Strategy to 2030 with a vision to 2050 was terminated by the Vietnamese government and that the Directive 494/CT-TTg dated 20 April 2010, referred to in the Complaint on the use of domestically produced supplies and commodities was in fact binding to public entities, such as ministries, ministerial-level agencies and government-attached agencies. The Directive did not apply to private entities and in any case, those regulatory initiatives could not have affected POSVIET as explained in recital (474).

(476) Consequently, none of these measures affected POSVIET and, since it made [80% - 100%] of the exports of the product under investigation to the Union, the Commission concluded that the provisions of Article 2(3) on PMS could not be applied to POSVIET or to Vietnam either.

3.6.3. Normal value

(477) The Commission first examined whether the total volume of domestic sales of the sampled cooperating exporting producer was representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales are representative if the total domestic sales volume of the like product to independent customers on the domestic market per exporting producer represented at least 5% of its total export sales volume of the product concerned to the Union during the investigation period. On this basis, the total sales of the sampled exporting producer of the like product on the domestic market were representative.

(478) The Commission subsequently identified the product types sold domestically that were identical or comparable with the product types sold for export to the Union.

(479) The Commission then examined whether the domestic sales of the sampled exporting producer on its domestic market for each product type that is identical or comparable with a product type sold for export to the Union were representative, in accordance with Article 2(2) of the basic Regulation. The domestic sales of a product type are representative if the total volume of domestic sales of that product type to independent customers during the investigation period represents at least 5% of the total volume of export sales of the identical or comparable product type to the Union. The Commission established that for several product types representing less than 0,5% of total volume of export sales to the Union there were no domestic sales of identical or comparable product type.

---

[113] The share of purchased hot-rolled cold from related suppliers amounted to [80%-100%] of the total quantities purchased in the investigation period. A range was given for confidentiality purposes.

(480) As there were no sales of certain product types of the like product in the ordinary course of trade on the domestic market, the Commission constructed the normal value in accordance with Article 2(3) and (6) of the basic Regulation.

(481) The Commission next defined the proportion of profitable sales to independent customers on the domestic market for each product type during the investigation period in order to decide whether to use actual domestic sales for the calculation of the normal value, in accordance with Article 2(4) of the basic Regulation.

(482) The normal value is based on the actual domestic price per product type, irrespective of whether those sales are profitable or not, if:

(a) the sales volume of the product type, sold at a net sales price equal to or above the calculated cost of production, represented more than 80% of the total sales volume of this product type; and

(b) the weighted average sales price of that product type is equal to or higher than the unit cost of production.

(483) If both tests are met, the normal value is the weighted average of the prices of all domestic sales of that product type during the IP.

(484) The normal value is the actual domestic price per product type of only the profitable domestic sales of the product types during the IP, if:

(a) the volume of profitable sales of the product type represents 80% or less of the total sales volume of this type: or

(b) the weighted average price of this product type is below the unit cost of production.

(485) The analysis of domestic sales showed that approximately 27% of all domestic sales were profitable and that the weighted average sales price was higher than the cost of production. Of those, product types for which profitable sales exceeded 80% represented approximately 7% of all domestic sales. Accordingly, the normal value was calculated as a weighted average of the prices of all domestic sales during the investigation period for those product types. In addition, product types for which profitable sales were equal to or lower than 80% of total domestic sales of those product types represented 20% of all domestic sales. Consequently, the normal value was calculated as a weighted average of the prices of profitable sales only during the investigation period for those product types.

(486) Normal value was constructed by adding the following to the average cost of production of the like product of the cooperating sampled exporting producer during the investigation period:

(c) the weighted average SG&A expenses incurred by the cooperating sampled exporting producer on domestic sales of the like product, in the ordinary course of trade, during the IP; and

(d) the weighted average profit realised by the cooperating sampled exporting producers on domestic sales of the like product, in the ordinary course of trade, during the IP.

(487) Where there were no domestic sales of a product type of the like product, the Commission looked for alternative sources for prices in the ordinary course of trade. As there were no other sampled cooperating or available domestic producers of the like product in the country concerned, no such prices were available. the Commission

constructed the normal value for the relevant product types in accordance with Article 2(3) and (6) of the basic Regulation.

(488) POSVIET sourced a significant share of hot-rolled coils, the main raw material in the manufacturing of CRF, from a related supplier, POSCO Co. Ltd., Seoul, Republic of Korea ('POSCO HQ'). Therefore, the Commission examined whether those purchases were made at arm's length prices. The Commission compared the sales prices of POSCO HQ to unrelated customers for relevant steel grades with the sales prices to POSVIET at ex-works level. The Commission found that POSCO HQ sold hot-rolled coils of relevant steel grades to unrelated customers for prices higher than prices charged to POSVIET for the same steel grades. Consequently, the Commission adjusted the cost of hot-rolled coils reported by POSVIET to an arm's length level. This resulted in an increase of the cost of production of 3,7%.

(489) The adjusted cost of production was used for the profitability analysis of domestic sales described in recital (485), as well as for the construction of the normal value described in recitals (486) and (487).

3.6.4. Export price

(490) The sampled exporting producer exported to the Union either (a) directly to independent customers, (b) through a related company located in a third country acting as a trader, POSCO International Corporation, Seoul, Republic of Korea ('PIC Korea'), exporting directly to the Union, or (c) through PIC Korea exporting through related companies acting as an importer in the Union, POSCO INTERNATIONAL Deutschland GmbH, Eschborn, Germany ('PI Germany') and POSCO INTERNATIONAL Italia S.r.l ('PI Italy').

(491) For the export sales of the product concerned carried out directly to independent customers in the Union, the export price was the price actually paid or payable for the product concerned when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.

(492) For the export sales of the product concerned to the Union carried out through related companies acting as an importer, the export price was established on the basis of the price at which the imported product was first resold to independent customers in the Union, in accordance with Article 2(9) of the basic Regulation. In this case, adjustments to the price were made for all costs incurred between importation and resale, including SG&A expenses, and for profits accruing. The profit margin used for the adjustments was 2%, as explained in recital (250).

(493) Adjustments reflecting all cost incurred between importation and resale were made for handling, loading and transportation in the Union, and credit cost incurred.

3.6.5. Comparison

(494) Article 2(10) of the basic Regulation requires the Commission to make a fair comparison between the normal value and the export price at the same level of trade and to make allowances for differences in factors which affect prices and price comparability. In the case at hand the Commission chose to compare the normal value and the export price of the sampled exporting producers at the *ex-works* level of trade. As further explained below, where appropriate, the normal value and the export price were adjusted in order to: (i) net them back to the *ex-works* level; and (ii) make allowances for differences in factors which were claimed, and demonstrated, to affect prices and price comparability.

3.6.5.1. Adjustments made to the normal value

(495) As explained in section 3.6.3, the normal value was established based on the domestic sales price or constructed using costs of production together with amounts for SG&A expenses and for profit, which were considered to be reasonable for that level of trade.

(496) The Commission made adjustment for transport, handling and loading cost incurred for sales on the domestic market under Article 2(10)(e) of the basic Regulation in order to net the domestic sales price back to ex-works level, credit granted to independent customers on the domestic market under Article 2(10)(g) of the basic Regulation, packing expenses incurred for domestic sales of the like product under Article 2(10)(f) of the basic Regulation, and for warranties and guaranties provided to independent domestic customers under Article 2(10)(h) of the basic Regulation.

3.6.5.2. Adjustments made to the export price

(497) In order to net the export price back to the ex-works level of trade, adjustments were made on the account of freight, insurance, handling loading and ancillary expenses under Article 2(10)(e) of the basic Regulation.

(498) Allowances were made for the following factors affecting prices and price comparability: credit granted to independent customers on the domestic market under Article 2(10)(g) of the basic Regulation, packing expenses incurred for export sales of the product concerned to the Union under Article 2(10)(f) of the basic Regulation, bank charges under Article 2(10)(k) of the basic Regulation, and for commissions under Article 2(10)(i) of the basic Regulation. Commissions were paid by PIC Korea to a related company in Vietnam for handling of documents, communication and other services provided with regard to the exports of product concerned produced by POSVIET to the Union.

(499) For all export sales carried out through PIC Korea, a trader, an adjustment was made under Article 2(10)(i) of the basic Regulation. The Commission considered that the SG&A expenses incurred by the trader and the profit of an unrelated importer of 10%, as explained in recital (250) above, reliably reflected the commission an unrelated agent would charge for its services.

3.6.6. Dumping margins

(500) For the sampled cooperating exporting producer, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price of the corresponding type of the product concerned, in accordance with Article 2(11) and (12) of the basic Regulation.

(501) On this basis, the definitive weighted average dumping margins expressed as a percentage of the CIF Union frontier price, duty unpaid, is 20,5%

(502) For the cooperating exporting producers outside the sample, the Commission calculates the weighted average dumping margin, in accordance with Article 9(6) of the basic Regulation. In the present case, the definitive dumping margin of the cooperating exporting producers outside the sample is the same as of the sampled cooperating exporting producer, i.e. 20,5%

(503) For all other exporting producers in Vietnam, the Commission established the dumping margin on the basis of the facts available, in accordance with Article 18 of the basic Regulation. To this end, the Commission determined the level of cooperation of the exporting producers. The level of cooperation is the volume of

exports of the cooperating exporting producers to the Union expressed as proportion of the total imports from the country concerned to the Union in the IP, that were established on the basis of Eurostat.

(504) The level of cooperation in this case is high because the exports of the cooperating exporting producers constituted more than 80% of the total imports during the investigation period. On this basis, the Commission decided to establish the dumping margin for non-cooperating exporting producers at the level of the cooperating sampled individually examined company.

(505) The definitive dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
POSCO VIETNAM CO., LTD	16,0%
Other cooperating companies	16,0%
All other imports originating in Vietnam	16,0%

4. INJURY

4.1. Definition of the Union industry and Union production

(506) The like product was manufactured by 22 producers in the Union during the investigation period. They constitute the 'Union industry' within the meaning of Article 4(1) of the basic Regulation.

(507) The total Union production during the investigation period was established at around 31,5 million tonnes, including production for the captive market. The Commission established the figure on the basis of all the available information concerning the Union industry, namely the verified questionnaire reply received from Eurofer, where possible cross-checked with the verified questionnaire replies of the sampled Union producers.

(508) As noted in recital (88), a sample of three Union producers was selected. The definitive sample accounted for more than 24% of the estimated total Union production and 17% of the estimated sales of the like product on the free market in the Union and ensured a good geographical spread.

(509) Overall, the Union industry is characterised by a significant degree of vertical integration. A substantial share of production is used captively for further downstream processing, while the remainder is sold on the free market in direct competition with imports.

4.2. Determination of the relevant Union market

(510) To establish whether the Union industry suffered injury and to determine consumption and the various economic indicators related to the situation of the Union industry, the Commission examined to which extent the Union industry's own use of its production, in particular for further processing, should be taken into account in that analysis.

(511) As indicated above, the Union industry is largely vertically integrated, and the product under investigation constitutes a primary input for the manufacture of various higher value downstream products, such as galvanized and organic coated products. The

Commission therefore found that a significant share of the sampled Union producers' production was destined for captive use. In view of this, captive consumption and free market consumption were analysed separately.

(512) The distinction between captive and free market is relevant for the injury analysis because products destined for captive use are not exposed to direct competition from imports, and transfer prices are set within the groups according to various price policies. By contrast, production destined for the free market is in direct competition with imports of the product under investigation, and prices are free market prices.

(513) To provide a picture of the Union industry that is as complete as possible, the Commission obtained data for the entire CRF activity and determined whether the production was destined for captive use or for the free market.

(514) The Commission examined certain economic indicators relating to the Union industry on the basis of data for the free market. These indicators are: sales volume and sales prices on the Union market; market share; growth; export volume and prices; profitability; return on investment; and cash flow. Where possible and justified, the findings of the examination were compared with the data for the captive market in order to provide a complete picture of the situation of the Union industry.

(515) However, other economic indicators could meaningfully be examined only by referring to the whole activity, including the captive use of the Union industry. These are: production; capacity, capacity utilisation; investments; stocks; employment; productivity; wages; and ability to raise capital. They depend on the whole activity, whether the production is captive or sold on the free market.

4.3. Union consumption

4.3.1. Captive consumption on the Union market (tonnes)

(516) The Commission established the Union captive consumption on the basis of the captive use and captive sales on the Union market of all known producers in the Union. On this basis, the Union captive consumption developed as follows:

Table 25 — Captive consumption on the Union market (tonnes)

	2022	**2023**	**2024**	Investigation period
Captive consumption	24 019 465	24 266 863	24 913 310	24 037 814
Index (2022=100)	100	101	104	100

Source: Eurofer questionnaire reply

(517) It was established that around 76% of the Union production of CRF is dedicated to the captive market whilst the remaining 24% is sold under free market conditions.

(518) EU captive consumption increased by around 4% between 2022 and 2024, reflecting a gradual expansion in captive demand. However, this trend was not sustained, as consumption subsequently decreased by approximately 3.5% during the investigation period compared to 2024, broadly returning to its 2022 level. Overall, captive

consumption showed only a limited variation during the period considered, indicating relatively stable downstream demand within vertically integrated operations.

4.3.2. Free market consumption on the Union market (tonnes)

(519) The Commission established the Union free market consumption on the basis of (a) Eurofer data concerning the sales on the Union market of all known producers in the Union, as cross-checked with the information reported by the sampled Union producers; and (b) the imports into the Union from all third countries as reported by Eurostat. On this basis, the Union free market consumption developed as follows:

Table 26— Union free market consumption (tonnes)

	2022	**2023**	**2024**	Investigation period
Free market consumption	8 089 250	7 372 012	7 543 690	7 274 722
Index (2022=100)	100	91	93	90
Source: Eurofer questionnaire reply, sampled Union producers, EUROSTAT				

(520) Free market consumption decreased significantly over the period considered. It fell by 9% in the first year. This was followed by a moderate increase of 2% in the subsequent year. However, this recovery was temporary, as consumption declined again by 3 percentage points in the IP.

(521) Overall, free market consumption recorded a total decrease of 10% over the period considered. This decline was mainly driven by a contraction in downstream consumption, in particular in the construction sector and certain industrial applications, which are key end-use markets for steel products.

(522) In addition, macroeconomic uncertainty and weaker economic growth in several Member States contributed to a more cautious purchasing behaviour among customers, who delayed or reduced orders and prioritised inventory reduction. This resulted in lower spot market activity and reduced transactional volumes in the free market segment.

4.3.3. Overall consumption

(523) Overall consumption, the sum of captive and free market consumption, evolved as follows during the period considered:

Table 27— Union overall consumption (free and captive market) (tonnes)

	2022	**2023**	**2024**	Investigation period
Overall Union consumption	32 108 714	31 638 874	32 456 525	31 312 536

Index (2022=100)	100	99	101	98
Source: Eurofer questionnaire reply, sampled Union producers, EUROSTAT				

(524) Overall Union consumption remained broadly stable over the period considered, with only limited fluctuations. It decreased slightly by 1% in the first year. This was followed by a modest increase of 3 percentage points in the subsequent year. However, this increase was not sustained, as consumption declined by 4 percentage points in the investigation period.

(525) Over the period considered, overall consumption remained broadly stable, with a slight decrease of around 2% between 2022 and the investigation period. This relative stability was mainly due to captive consumption remaining broadly stable, which partially smoothed the declining trend observed in free market consumption, thereby cushioning the overall decrease in demand.

4.4. Imports from the countries concerned

4.4.1. Cumulative assessment of the effects of imports from the countries concerned and import volumes and import prices from the countries concerned

(526) The Commission examined whether imports of product originating in the countries concerned should be assessed cumulatively, in accordance with Article 3(4) of the basic Regulation.

(527) The margin of dumping established in relation to the imports from the countries concerned was above the *de minimis* threshold laid down in Article 9(3) of the basic Regulation. The volume of imports from each of the countries concerned was not negligible within the meaning of Article 5(7) of the basic Regulation. Market shares in the investigation period ranged between 3% and 7%.

(528) The conditions of competition between the dumped imports from the countries concerned and the like product were similar. As noted in recital (105) the investigation showed that CRF sold by the exporting producers and the Union industry have the same basic physical chemical and technical characteristics as well as the same basic uses. Moreover, the imported products competed with each other and with the Union industry and with CRF produced in the Union because they are sold through the same sales channels and to similar categories of customers.

(529) Therefore, all the criteria set out in Article 3(4) of the basic Regulation were met and imports from the countries concerned were examined cumulatively for the purposes of the injury determination.

4.4.2. Volume and market share of the imports from the countries concerned

(530) The Commission established the volume of imports on the basis of data provided by Eurostat. Market shares were established by comparing import volumes with the Union free market consumption as reported in Table 26.

(531) Imports into the Union from the countries concerned developed as follows:

Table 28 — Import quantity (measuring unit) and market share				
	2022	**2023**	**2024**	**Investigation period**

INDIA				
Volume of imports from India (tonnes)	405 319	387 521	435 297	414 530
Index	*100*	*96*	*107*	*102*
Market share India	5%	5%	6%	6%
JAPAN				
Volume of imports from Japan (tonnes)	126 021	223 217	246 354	250 001
Index	*100*	*177*	*195*	*198*
Market share Japan	2%	3%	3%	3%
TAIWAN				
Volume of imports from Taiwan (tonnes)	293 280	440 907	574 505	499 836
Index	*100*	*150*	*196*	*170*
Market share Taiwan	4%	6%	8%	7%
TÜRKIYE				
Volume of imports from Türkiye (tonnes)	448 012	228 046	417 253	334 885
Index	*100*	*51*	*93*	*75*
Market share Türkiye	6%	3%	6%	5%
VIETNAM				
Volume of imports from Vietnam	48 282	115 405	157 386	187 767

(tonnes)				
Index	*100*	*239*	*326*	*389*
Market share Vietnam	1%	2%	2%	3%
COUNTRIES CONCERNED				
Quantity of imports from the countries concerned (tonnes)	1 320 914	1 395 097	1 830 796	1 687 020
Index	*100*	*106*	*139*	*128*
Market share %	16%	19%	24%	23%
Source: Eurostat. Market shares were established by comparing import volumes with the Union free market consumption as reported in table 24.				

(532) Over the period considered, imports from the countries concerned increased overall, both in volume, by 28%, and in market share, which reached 23% in the IP. While developments varied significantly amongst the countries concerned, the general trend points to a strengthening presence of these imports on the Union market.

(533) In 2023, import volumes showed mixed developments. Imports from India decreased slightly (-4%), while imports from Türkiye dropped sharply (-49%). By contrast, imports from Japan (+77%), Taiwan (+50%) and Vietnam (+139%) increased significantly. As a result, the overall volume of imports from the countries concerned increased, accompanied by a rise in market share from 16% to 19% (+3 percentage points).

(534) In 2024, the upward trend became more pronounced. Imports from India (+12%), Japan (+10%) and Taiwan (+30%) continued to grow, while imports from Türkiye recovered strongly (+83%) from the low level recorded in 2023. Imports from Vietnam also increased further (+36%). This led to a significant expansion of the overall import volume and a marked increase in market share to 24% (+5 percentage points).

(535) During the investigation period, import volumes declined compared to 2024 but remained well above 2022 levels. Imports from India decreased moderately (-5%), while imports from Taiwan (-13%) and Türkiye (-20%) also fell. By contrast, imports from Japan (+1%) and Vietnam (+19%) continued to increase. Overall, imports from the countries concerned remained high, with market share only slightly decreasing to 23% (-1 percentage point).

(536) Over the period considered, imports from the countries concerned increased significantly, both in volume and in market share. Import volumes rose by 6% in 2023 and further increased markedly by 31% in 2024. Although they declined by 8% during the investigation period compared to 2024, they remained 28% above 2022 levels. In

parallel, the market share of these imports grew steadily from 16% in 2022 to 19% in 2023 and reached 24% in 2024, before slightly decreasing to 23% in the investigation period. Overall, despite a slight drop in the investigation period, imports from the countries concerned showed a strong upward trend and significantly strengthened their position on the Union market.

4.4.3. Prices of the imports from the countries concerned and price undercutting and price depression

(537) The Commission established the prices of imports on the basis of Eurostat data.

(538) The weighted average price of imports into the Union from the countries concerned developed as follows:

Table 29 — Import prices (EUR/measuring unit)				
	2022	**2023**	**2024**	**Investigation period**
INDIA				
Average price of dumped imports	1 051	772	725	680
Index	*100*	*73*	*69*	*65*
JAPAN				
Average price of dumped imports	1 021	802	777	718
Index	*100*	*79*	*76*	*70*
TAIWAN				
Average price of dumped imports	1 042	752	703	690
Index	*100*	*72*	*67*	*66*
TÜRKIYE				
Average price of dumped imports	1 041	834	744	716
Index	*100*	*80*	*71*	*69*
VIETNAM				

Average price of dumped imports	1 166	757	708	667
Index	*100*	*65*	*61*	*57*
COUNTRIES CONCERNED				
Average price of dumped imports	1 047	779	728	695
Index	*100*	*74*	*70*	*66*
Source: Eurostat.				

(539) Overall, the average price of dumped imports from the countries concerned decreased by 34% over the period considered. This downward trend was observed for all the countries concerned individually, with price decreases ranging from 30% to 43%, with the most pronounced decrease recorded for Vietnam at 43%.

(540) The Commission determined the price undercutting during the investigation period by comparing:

(1) the weighted average sales prices per product type of the sampled Union producers charged to unrelated customers on the Union market, adjusted to an ex-works level; and

(2) the corresponding weighted average prices per product type of the imports from the sampled cooperating country name producers to the first independent customer on the Union market, established on a Cost, insurance, freight (CIF) basis, with appropriate adjustments for customs duties and post-importation costs.

(541) The price comparison was made on a type-by-type basis for transactions at the same level of trade, duly adjusted where necessary, and after deduction of rebates and discounts. The result of the comparison was expressed as a percentage of the sampled Union producers' theoretical turnover during the investigation period.

Table 30—Undercutting margins

Country	Company	Undercutting margins
India	JSW Steel Limited	11%
Japan	Nippon Steel Corporation	12,6%
Taiwan	CSC Group	9,2%
Turkiye	Borçelik Çelik Sanayi Ticaret A.Ş.	13,4%

	Tatmetal Çelik Sanayi ve Ticaret A. Ş.	5,1%
Vietnam	POSCO VIETNAM CO., LTD	10,7%

(542) The product concerned is largely price-driven and competition on the market takes place primarily through pricing. Furthermore, market prices are transparent and easily accessible. The investigation showed that only a limited share of sales is carried out under long-term contracts, while customers retain the possibility to change suppliers in a highly dynamic market.

(543) Against this background, the undercutting margins established for the imports concerned were found to be significant, amounting to 11% for India, 12,6% for Japan, 9,2% for Taiwan, 5,1% and 13,4% for Türkiye and 10,7% for Vietnam.

(544) The investigation further demonstrated that the Union industry's prices were depressed by the low-priced imports originating in the countries concerned, which followed similar trends and trade patterns.

4.5. Economic situation of the Union industry

4.5.1. General remarks

(545) In accordance with Article 3(5) of the basic Regulation, the examination of the impact of the dumped imports on the Union industry included an evaluation of all economic indicators having a bearing on the state of the Union industry during the period considered.

(546) As mentioned in recital (86), sampling was used for the determination of possible injury suffered by the Union industry.

(547) For the injury determination, the Commission distinguished between macroeconomic and microeconomic injury indicators. The macroeconomic indicators were assessed at the level of the whole Union industry. The assessment was based on the information provided by the complainant, which was then cross-checked with data provided by Union producers and available official statistics (Eurostat). The analysis of microeconomic indicators was carried out at the level of the sampled Union producers. The assessment was based on their information, duly verified. Both sets of data were found to be representative of the economic situation of the Union industry.

(a) The macroeconomic indicators are: production, production capacity, capacity utilisation, sales volume, market share, growth, employment, productivity, magnitude of the dumping margin, and recovery from past dumping.

(b) The microeconomic indicators are: average unit prices, unit cost, labour costs, inventories, profitability, cash flow, investments, return on investments, and ability to raise capital.

(548) To provide a picture of the Union industry that is as complete as possible, the Commission obtained data for the entire production of the like product under investigation and determined whether the production was destined for captive use or for the free market. For some injury indicators relating to the Union industry, the Commission analysed separately data related to the free and the captive market and made a comparative analysis.

(549) The indicators that were assessed by looking specifically at the free-market segment are: sales, market share, unit prices, unit cost, profitability, and cash flow.

However, other economic indicators could only be meaningfully examined by referring to the whole activity, including the captive use of the Union industry.

(550) These broader indicators include production, capacity, capacity utilisation, investments, return on investments, employment, productivity, stocks and labour costs. For these factors, the Commission can only conduct a meaningful assessment by referring to the whole activity of the Union industry. This analysis is in line with case-law of the Union courts and the WTO.[114]

4.5.2. Macroeconomic indicators

4.5.2.1. Production, production capacity and capacity utilisation

(551) The total Union production, production capacity and capacity utilisation developed over the period considered as follows:

Table 31 — Production, production capacity and capacity utilisation

	2022	**2023**	**2024**	**Investigation period**
Production quantity (tonnes)	31 694 255	31 701 294	32 392 557	31 508 803
Index (2022=100)	*100*	*100*	*102*	*99*
Production capacity (tonnes)	46 387 539	45 690 871	45 465 152	43 790 478
Index (2022=100)	*100*	*98*	*98*	*94*
Capacity utilisation	68%	69%	71%	72%
Index (2022=100)	*100*	*102*	*104*	*105*
Source: Eurofer questionnaire reply				

(552) Over the period considered, the Union production quantity remained relatively stable. It increased slightly by 2% between 2022 and 2024 before declining in the investigation period, resulting in an overall marginal decline of 1% over the period considered.

(553) Production capacity showed a continuous downward trend over the period considered, decreasing by 6% overall. Capacity decreased by 2% between 2022 and 2023, remained stable in 2024, and then fell by a further 4% during the investigation period. The 6% decrease in production capacity over the period

[114] Judgment of 27 November 1991, *Gimelec v Commission*, C-315/90, EU:C:1991:447, paragraphs 16 to 29; Report of the WTO Appellate Body 24.7.2001, WT/DS184/AB/R, para 181 to 215.

considered can be explained by lower demand expectations, in a context where Union consumption declined by 10%, leading to a contraction of the market size. In response, Union producers adjusted their production base to align with reduced demand, including the withdrawal of less efficient or non-essential capacity, in order to avoid excess capacity and ensure more efficient resource use.

(554) As a result of the slight decrease in production capacity combined with relatively stable production volumes, capacity utilisation increased steadily over the period considered, rising from 68% in 2022 to 72% in the investigation period, corresponding to an increase of 5%.

4.5.2.2. Sales quantity and market share

(555) The Union industry's sales quantity and market share developed over the period considered as follows:

Table 32 — Sales quantity and market share

	2022	**2023**	**2024**	**Investigation period**
Sales volume in the Union free market (tonnes)	5 633 739	5 007 333	4 855 388	4 767 237
Index (2022=100)	*100*	*89*	*86*	*85*
Market share	70%	68%	64%	66%
Index (2022=100)	*100*	*98*	*92*	*94*
Source : Eurofer questionnaire reply and Eurostat				

(556) During the period considered, the Union industry's sales volume on the free market decreased continuously by 15%, with a sharp decline of 11% between 2022 and 2023, followed by further decreases of 3 percentage points and one percentage point in the subsequent periods.

(557) The Union industry's market share decreased overall by 4 percentage points over the period considered. It declined by 2 percentage points between 2022 and 2023 and by a further 4 percentage points between 2023 and 2024, before increasing 2 percentage points during the investigation period.

(558) Overall, the decrease in sales volume (-15%) exceeded the decline in Union consumption (-10%), indicating a loss of market share of Union CRF producers in the Union free consumption during the period considered.

4.5.2.3. Employment and productivity

(559) Employment and productivity developed over the period considered as follows:

Table 33 — Employment and productivity

	2022	**2023**	**2024**	**Investigation period**

Number of employees (FTE)	9 298	9 006	9 013	8 598
Index	*100*	*97*	*97*	*92*
Productivity (MT/ FTE)	3 409	3 520	3 594	3 665
Index	*100*	*103*	*105*	*108*
Source: Eurofer questionnaire reply				

(560) Employment in the Union industry decreased by 8% over the period considered. Employment fell by 3% between 2022 and 2023, remained stable in 2024, and then dropped by a further 5 percentage points during IP. This decline reflected adjustments to falling sales and weaker market conditions. The industry progressively rationalised its workforce through efficiency measures, including the non-replacement of leavers and restructuring of production activities, in order to align costs with reduced demand.

(561) Productivity increased by 8% over the period considered. This development resulted primarily from the reduction in employment combined with broadly stable production levels, leading to higher output per employee. The increase in productivity therefore reflects efficiency gains achieved through restructuring and labour rationalisation.

4.5.2.4. Magnitude of the dumping margin

(562) All dumping margins were significantly above the *de minimis* level. The impact of the magnitude of the actual margins of dumping on the Union industry was substantial, given the volume and prices of imports from the countries concerned.

4.5.2.5. Growth

(563) During the period considered, Union free market consumption decreased by 10%. This decline was driven by the mature nature of the market and a reduction in activity in key downstream sectors, which weighed on overall demand. In particular, the absence of growth in construction and certain industrial applications resulted in lower consumption of the product concerned.

(564) However, the Union industry's performance indicators show that it struggled in preserving its market position. While production remained broadly stable (-1%), sales on the Union market decreased significantly by 15%, resulting in a loss of market share of 6% (4 percentage points). This indicates that the Union industry not only followed but outpaced the contraction in consumption in terms of sales decline, thereby underperforming relative to overall market developments.

(565) The deterioration in sales and market share, in a context of declining consumption, demonstrates that the Union industry did not achieve growth, either in absolute or relative terms. Instead, it experienced a contraction of its market presence that exceeded the overall reduction in demand.

(566) This lack of growth is further reflected in the reduction of employment by 8%, indicating a downsizing of operational capacity in response to worsening market conditions. Although productivity increased by 8% and capacity utilisation by 5% (4 percentage points), these gains reflect efficiency improvements achieved through

workforce reductions, capacity reduction and restructuring rather than expansion or sustainable growth.

(567) On this basis, it is concluded that the Union industry did not experience growth over the period considered. Despite operating in a contracting free market characterised by a 10% decline in consumption, the Union industry's deterioration in sales and market share demonstrates a loss of competitive strength and an inability to translate efficiency gains into market growth.

4.5.3. Microeconomic indicators

4.5.3.1. Prices and factors affecting prices

(568) The weighted average unit sales prices of the sampled Union producers to unrelated customers in the Union developed over the period considered as follows:

Table 34 —Sales prices in the Union

	2022	**2023**	**2024**	**Investigation period**
Average unit sales price in the Union on the free market (EUR/ measuring unit)	*[1 020–1 095]*	*[815–875]*	*[745–800]*	*[700–755]*
Index	*100*	*80*	*73*	*69*
Unit cost of production (EUR/ measuring unit)	*[900–975]*	*[820–890]*	*[720–780]*	*[690–750]*
Index	100	91	80	77
Source: *Questionnaire reply of sampled Union producers*				

(569) The table above shows the evolution of the unit sales price on the Union free market as compared to the corresponding unit cost of production.

(570) In the period considered, Union free market consumption showed a declining trend overall, reflecting deteriorating market conditions in the post-COVID-19 context, with weak demand exerting persistent downward pressure on prices that intensified from 2023 onwards in line with weakening steel demand. Against this background, the average unit sales price of the Union industry declined significantly, falling by 20% between 2022 and 2023, followed by a further decrease of 8% between 2023 and 2024, and an additional 6% during the investigation period compared to 2024. Overall, this represents a cumulative decrease of 31% between 2022 and the investigation period.

(571) Over the same years, the unit cost of production also followed a downward trend, although with a different pattern. Costs decreased by 9% between 2022 and 2023 and more sharply by 12% between 2023 and 2024. During the IP, costs declined by a further 4% compared to 2024. In total, this corresponds to an overall decrease of 23% between 2022 and the IP.

(572) A year-on-year comparison shows that in the first period (2022–2023), the decline in sales prices (–20%) was substantially greater than the reduction in costs (–9%), resulting in a significant compression of margins. In the following year (2023–2024), although costs decreased more sharply than prices, this was insufficient to offset the earlier margin deterioration. In the final period (2024–IP), both prices (–6%) and costs (–4%) continued to decline at a similar pace, indicating that the Union industry remained under sustained pressure and was unable to restore its margins. Given that CRF is a commodity product, Union producers had limited possibilities to differentiate their offer, and in order to limit further loss of market share, they had to follow the downward price developments and reduced their sales prices accordingly.

(573) Overall, despite cost reductions, the sharper cumulative decrease in sales prices compared to costs led to a structural deterioration in profitability over the period examined, as prices moved closer to cost levels and remained insufficient to ensure sustainable returns.

4.5.3.2. Labour costs

(574) The average labour costs of the sampled Union producers developed over the period considered as follows:

Table 35 — Average labour costs per employee

	2022	**2023**	**2024**	**Investigation period**
Average labour costs per employee (EUR)	[35 500 - 36 500]	[38 000 - 39 100]	[35 500 - 36 500]	[38 000 - 39 100]
Index (2022=100)	*100*	*107*	*100*	*107*

Source: Questionnaire reply of sampled Union producers

(575) During the period considered, average labour costs per employee showed a fluctuating development, increasing by 7% between 2022 and 2023 before returning in 2024 to a level comparable to that of 2022 and rising again by 7% during the investigation period.

4.5.3.3. Inventories

(576) Stock levels of the sampled Union producers developed over the period considered as follows:

Table 36 — Stocks				
	2022	**2023**	**2024**	**Investigation period**
Closing stock (tonnes)	[390 000-400 000]	[410 000-420 000]	[385 000-395 000]	[370 000-380 000]
Index (2022=100)	*100*	*105*	*99*	*95*
Closing stock as a percentage of production	[1%-2%]	[1%-2%]	[1%-2%]	[1%-2%]
Source: Questionnaire reply of sampled Union producers				

(577) Inventories increased in 2023 before declining in 2024 and further during the investigation period, resulting in an overall decrease of 5% over the period considered. This development should be seen in the context of relatively stable production levels and a significant decline in sales.

(578) The temporary increase in inventories in 2023 reflected the fact that sales weakened while production remained stable. As market demand continued to deteriorate, the Union industry subsequently reduced inventories through adjustments in production planning and stock management.

4.5.3.4. Profitability, cash flow, investments, return on investments and ability to raise capital

(579) Profitability, cash flow, investments and return on investments of the sampled Union producers developed over the period considered as follows:

Table 37 — Profitability, cash flow, investments and return on investments				
	2022	**2023**	**2024**	**Investigation period**
Profitability of sales in the Union to unrelated customers (% of sales turnover)	[10%-15%]	[0%-3%]	[2%-8%]	[0%-5%]
Index	*100*	*3*	*37*	*18*
Cash flow	[400–450	[50–100	[100–150	[150–200

(EUR)	million]	million]	million]	million]
Index	*100*	*19*	*32*	*39*
Investments (EUR)	[300–350 million]	[400–450 million]	[400–450 million]	[400–450 million]
Index	*100*	*141*	*136*	*133*
Return on investments	[70%–90%]	[0%–5%]	[10%–20%]	[5%–10%]
Index	*100*	*1*	*19*	*9*
Source: Questionnaire reply of sampled Union producers				

(580) The Commission established the profitability of the sampled Union producers by expressing the pre-tax net profit of the sales of the like product to unrelated customers in the Union as a percentage of the turnover of those sales.

(581) The profitability of the Union industry showed a marked deterioration over the period considered. In 2022, the Union industry achieved a solid profit level of [10%-15%]. However, profitability dropped sharply to around break even in 2023, reflecting a significant squeeze between declining sales prices and still relatively high production costs.

(582) In 2024, profitability partially recovered to one-digit levels, mainly due to a reduction in unit costs, which decreased more rapidly than sales prices. Despite this improvement, profit levels remained well below those observed at the beginning of the period considered.

(583) During the investigation period, profitability declined again to [0%-5%]. Although both sales prices and costs continued to decrease, the price erosion outpaced cost reductions, thereby negatively affecting margins.

(584) Overall, profitability followed a strongly negative trend over the period considered, decreasing by more than 10 percentage points from [10%-15%] in 2022 to [0%-5%] in the investigation period. This development indicates that the Union industry was unable to maintain sustainable profit levels, and that its financial situation remained fragile despite some temporary improvements.

(585) The net cash flow is the ability of the Union producers to self-finance their activities. The net cash flow of the sample Union Producers showed a highly volatile but overall deteriorating trend over the period considered. It dropped very sharply by 81% between 2022 and 2023. This was followed by a partial recovery in 2024 (+71%) and a further increase during the IP (+20%), indicating some improvement after the initial collapse. However, overall, despite this rebound, cash flow remained 61% below the 2022 levels. This deterioration is closely linked to the pronounced deterioration in profitability, which reduced the internal generation of liquidity.

(586) As regards investments, the Union industry's capital expenditure increased by approximately 41% in 2023 compared to 2022. Investments subsequently declined by around 4% in 2024 and by a further 2% during the IP. Investment levels in the IP remained approximately 33% higher than in 2022 overall, pointing to an initial

expansion in investment activity followed by a progressive moderation. These investments were primarily linked to decarbonisation and greening projects.

(587) In this respect, it is noted that investments may remain relatively high despite weak profitability due to their long-term nature and the need to maintain or improve production assets. However, the moderation in investment growth in the latter part of the period considered reflects increasing caution and reduced confidence in future market conditions.

(588) With regard to return on investments (ROI), the investigation examined the profitability of the Union industry by relating net profit to the net book value of investments over the period considered. This indicator is relevant for assessing the industry's ability to generate an adequate return on the capital employed in the production of the like product. The development of ROI therefore provides insight into the financial attractiveness and sustainability of investments in the Union industry.

(589) The analysis showed that ROI fluctuated significantly during the period considered, declining sharply by 99% in 2023, before recovering somewhat in 2024 and subsequently decreasing again in the IP. Overall, despite the very limited recovery observed in the middle of the period, ROI remained volatile and ended at a considerably lower level than at the beginning of the period concerned. This evolution indicates a deterioration in the stability of investment returns, reflecting continued pressure on the financial performance of the Union industry.

(590) During the period considered, the sampled Union producers experienced a marked deterioration in their ability to raise capital. This decline was primarily due to the deterioration of core financial performance indicators, most notably the significant contraction in profitability and the substantial erosion of cash flow generation capacity.

(591) The reduction in profitability undermined investor confidence and depleted the internal reserves necessary to leverage external financing. Furthermore, the volatility and general deterioration of cash flow constrained the industry's ability to self-finance investments, thereby limiting its financial flexibility. Consequently, the overall financial performance of the Union industry during the period considered adversely affected its creditworthiness and hindered its capacity to raise capital on favourable terms.

4.6. Conclusion on injury

(592) The investigation showed that the situation of the Union industry deteriorated significantly during the period considered. During that time, consumption on the free market decreased by 10%, while the Union industry's sales volume on the free market declined by 15%, a decrease that outpaced the contraction in demand. As a consequence, the Union industry's market share on the free market fell from 70% in 2022 to 66% in the investigation period.

(593) The Union industry was unable to maintain its price levels during the period considered. Although the Union industry reduced its unit cost of production by 23%, its average sales prices decreased more sharply, by 31%. As a result, profitability fell from 10%-15%] in 2022 to [0%-5%] in the investigation period.

(594) The injury was further reflected in the deterioration of certain financial indicators. Cash flow decreased by 61% and the return on investments dropped by 91% between 2022 and the investigation period. Despite these adverse developments, net investments remained at a high level throughout the period considered and were 33%

higher in the investigation period than in 2022. Nevertheless, the sharp deterioration in profitability, return on investments and cash flow adversely affected the industry's financial situation and its capacity to generate internal funds for future investments.

(595) On the basis of the above, the Commission concluded that the Union industry suffered material injury within the meaning of Article 3(5) of the basic Regulation. This injury was characterised by a significant loss of sales and market share on the free market, price depression, and a substantial deterioration of the industry's financial situation, in particular regarding profitability, cash flow, and return on investments.

5. CAUSATION

(596) In accordance with Article 3(6) of the basic Regulation, the Commission examined whether the dumped imports from the countries concerned caused material injury to the Union industry.

(597) In accordance with Article 3(7) of the basic Regulation, the Commission also examined whether other known factors could at the same time have injured the Union industry. The Commission ensured that any possible injury caused by factors other than the dumped imports from the countries concerned was not attributed to the dumped imports. These factors are:

– Other Third countries imports

– Export sales performance of the Union producers

– Captive use

– Macroeconomic downturns and Sectoral demand contraction

– Energy price developments

– EU Regulatory framework

– Raw material price volatility

– Global overcapacity in the steel sector

– Covid-19 aftermath and geopolitical instability

5.1. Effects of the dumped imports

(598) The deterioration of the economic situation of the Union industry coincided with significant and increasing market penetration of dumped imports from the countries concerned, which consistently undercut the Union industry’s prices and led to price depression. In this respect, the evolution of import volumes and prices of the countries concerned, as reflected in tables 27 and 28, depressed the price levels of the Union industry, establishing a causal link between the two.

(599) Imports from the countries concerned rose significantly over the period considered increasing by 28%, from around 1,3 million tonnes in 2022 to more than 1,6 million tonnes in the investigation period. In parallel, their market share rose from 16% to 23%, corresponding to an increase of 7 percentage points. This increase in dumped import volumes coincided with a decline in the Union industry’s market share from 70% to 66%, indicating that the growth of imports from the countries concerned displaced Union industry sales.

(600) The development of the Union industry's profitability during the period considered is consistent with the effects of the dumped imports. Profitability fell sharply in

2023 because sales prices decreased more than production costs. Although profitability improved in 2024 as production costs fell faster than sales prices, this improvement was only temporary, and profitability remained well below the 2022 level. During the investigation period, profitability declined again as sales prices continued to fall faster than production costs.

(601) Moreover, these imports from the countries concerned exerted sustained downward pressure on prices in the Union market. Average import prices from the countries concerned decreased by approximately 34%, from EUR 1 047 per tonne in 2022 to EUR 694 per tonne in the investigation period. Throughout the period considered, these prices remained consistently below those of the Union industry, whose average sales prices decreased by approximately 31%, from EUR [1 020–1 095] per tonne to EUR [700–755] per tonne. The persistent price differential between the imported products and Union industry prices indicates continuous price undercutting and price suppression. This price pressure limited the ability of the Union industry to maintain price levels in line with costs, thereby contributing to the observed deterioration in profitability.

(602) On this basis, the Commission concluded that the dumped imports from the countries concerned, through their significant increase in volume, rising market share, and consistently low prices significantly below those of the Union industry, contributed materially to the injury suffered by the Union industry. The combination of increased import penetration and sustained price undercutting establishes a clear causal link between the dumped imports and the deterioration of the Union industry's situation.

5.2. Imports from other third countries

(603) The quantity of imports from other third countries developed over the period considered as follows:

Table 38 — Imports from other third countries

Country		**2022**	**2023**	**2024**	**Investigation period**
South Korea	Quantity (tonnes)	382 473	388 999	381 372	408 920
	Index	*100*	*102*	*100*	*107*
	Market share	5%	5%	5%	6%
	Average price	1 026	817	765	734
	Index	*100*	*80*	*75*	*72*
United Kingdom	Quantity (tonnes)	273 165	261 541	220 848	138 745

	Index	*100*	*96*	*81*	*51*
	Market share	3%	4%	3%	2%
	Average price	1 118	852	801	751
	Index	*100*	*76*	*72*	*67*
Ukraine	Quantity (tonnes)	99 827	149 989	154 603	171 095
	Index	*100*	*150*	*155*	*171*
	Market share	1%	2%	2%	2%
	Average price	942	722	678	637
	Index	*100*	*77*	*72*	*68*
Rest of the World	Quantity (tonnes)	379.132	169.053	100.207	101.705
	Index	*100*	*45*	*26*	*27*
	Market share	5%	2%	1%	1%
	Average price	1118	986	914	884
	Index	*100*	*88*	*82*	*79*
Total of all third countries except the countries concerned	Quantity (tonnes)	1 134 596	969 582	857 031	820 465
	Index	*100*	*85*	*76*	*72*
	Market share	14%	13%	11%	11%
	Average price	1 071	841	776	735

	Index	*100*	*79*	*72*	*69*
Source: Comext					

(604) Over the period considered, imports from South Korea increased their market share from 5% to 6%, while imports from Ukraine increased from 1% to 2%. By contrast, the market share of imports from the United Kingdom decreased from 3% to 2%, and that of imports from the rest of the world from 5% to 1%. Imports from other third countries subject to anti-dumping measures, such as China, also declined significantly, with their market share decreasing from 2% to nil. Overall, the market share of imports from all third countries other than the countries concerned decreased from 14% to 11% over the period considered.

(605) The Commission further assessed the overall evolution of imports from third countries other than the countries concerned. This analysis showed that such imports decreased over the period considered, both in absolute terms and in terms of market share. Their combined market share declined from 14% in 2022 to 11% during the investigation period. Average import prices also decreased, from EUR 1 071 per tonne in 2022 to EUR 735 per tonne during the investigation period, corresponding to a decline of approximately 31%. Despite this decrease, the average import price of these third-country imports remained above the average import price of the countries concerned during the investigation period. The observed price decline therefore reflected the general downward trend in prices on the Union market rather than a specific price effect attributable to imports from third countries other than the countries concerned.

(606) Their declining presence in the Union market further confirms that they did not play a significant role in the observed price effects or in the loss of market share of the Union industry. In view of the parallel downward price trend of both imports from other third countries and the Union industry, combined with the fact that third country prices in the investigation period remained above those of the countries concerned, and with declining import market share, imports from other third countries appear to not having exerted a specific or additional price-depressing effect on the Union market beyond the general market trend. This factor therefore did not attenuate the causal link established between the dumped imports and the material injury suffered by the Union industry.

5.3. Effects of other factors

5.3.1. Export sales performance of the Union producers

(607) The volume of exports of the Union producers developed over the period considered as follows:

Table 39 — Export sales of the Union producers

	2022	**2023**	**2024**	**Investigation period**
Total exports Sales (MT)	1.046.797	1.153.564	1.313.619	1.169.942
Index	*100*	*110*	*125*	*112*

(2022=100)				
Average unit price (EUR/tonnes)	[1 108-1 148]	[941-972]	[821-846]	[761-788]
Index (2022=100)	*100*	*84*	*74*	*69*
Source: Macro questionnaire & Questionnaire reply of sampled Union producers				

(608) During the period considered, total export sales volumes of the Union producers increased by 10% between 2022 and 2023 and by a further 14% between 2023 and 2024. During the investigation period, export volumes declined by 11% compared with 2024. Overall, export sales volumes were 12% higher in the investigation period than in 2022.

(609) The investigation showed that the increase in export volumes was mainly driven by higher exports to Mexico, Turkey and the United States. These increases resulted from specific circumstances, including the recovery of sales following the resolution of technical issues at a Union producer's facilities and favourable market conditions in certain export destinations. The increase in exports to the United States was not sustained. Accordingly, the development did not reflect a general improvement in export market conditions.

(610) At the same time, average export prices declined continuously throughout the period considered, falling by approximately 31% between 2022 and the investigation period. This indicates that Union producers were able to increase export volumes only by accepting significantly lower prices, reflecting strong competitive pressure in export markets.

(611) The Commission therefore concluded that the increase in export volumes was driven by specific market and company-related factors and did not reflect a general improvement in export market conditions. The increase in export sales was also consistent with the Union industry's efforts to utilise its substantial spare production capacity by seeking additional sales opportunities outside the Union market. However, export sales did not provide a sufficient source of profitability to offset the injury suffered by the Union industry on the Union market. and therefore, did not attenuate the causal link between the dumped imports and the material injury suffered by the Union industry.

5.3.2. Captive consumption

(612) During the period considered, EU captive consumption increased by around 4% between 2022 and 2024, before decreasing in the investigation period back to the level of 2022. Overall, captive consumption remained broadly stable over the period considered, showing only limited variation.

(613) This relatively stable development of captive consumption indicates that downstream internal demand within vertically integrated producers did not materially contract during the period considered. Given that captive consumption accounts for the majority of Union production (around 76%), its stability confirms that injury observed in the free market segment cannot be attributed to a significant contraction in captive

demand. Therefore, developments in captive consumption did not attenuate the causal link established between the dumped imports and the material injury suffered by the Union industry.

5.3.3. Macroeconomic downturns and Sectoral demand contraction

(614) The Commission also examined whether macroeconomic developments and a contraction in demand from key downstream industries contributed to the injury suffered by the Union industry. Demand for the product concerned is closely linked to overall economic conditions and to activity in sectors such as construction, automotive, mechanical engineering and household appliances, which together represent a substantial share of consumption.

(615) Over the period considered, economic conditions in the Union were characterised by a slowdown in industrial activity and weaker demand in several of these downstream sectors. In particular, the construction sector was affected by reduced investment and higher financing costs, while the automotive and machinery sectors showed signs of deceleration linked to structural adjustments and lower industrial output. These developments are likely to have exerted downward pressure on consumption and contributed to a more competitive and price-sensitive market environment.

(616) A general economic slowdown would normally affect all market operators. However, while demand conditions weakened, imports from the countries concerned increased substantially in volume and market penetration, whereas the Union industry experienced a loss of market share. This divergence shows that macroeconomic and sectoral demand factors cannot explain the injury observed.

(617) The Commission therefore concluded that, although macroeconomic developments and demand contraction in downstream sectors may have influenced the overall market environment, they did not attenuate the causal link established between the dumped imports and the material injury suffered by the Union industry.

5.3.4. Energy price developments

(618) The Commission also examined whether energy price developments, in particular sustained high electricity and gas prices, could have contributed to the injury suffered by the Union industry. Energy costs constitute a significant component of production costs for the product concerned, and fluctuations in electricity and gas prices can materially affect the cost structure of energy-intensive industries.

(619) Over the period considered, energy markets remained characterised by persistently elevated and volatile prices compared to historical levels.

(620) However, the investigation revealed that in 2022, when energy prices were significantly higher than in the rest of the period considered, Union producers were able to generate a sustainable level of profitability. This was possible because Union producers were able to pass on higher energy costs to users, maintaining sales prices at levels consistent with their cost structure.

(621) By contrast, in 2023 and throughout the investigation period, energy prices had fallen to levels significantly below those observed in 2022. Nevertheless, the price pressure exerted by the dumped imports prevented the Union industry from maintaining sales prices at levels sufficient to cover its costs, resulting in a sharp deterioration in profitability. While the cost of production decreased by 23%, average sales prices declined by 31%, a reduction exceeding what could be justified by energy-related costs alone. This disconnect indicates that the deterioration in profitability did not

arise from energy markets. This divergence demonstrates that, although energy prices influence production costs, the decisive factor behind the collapse in profitability was the Union industry's inability to keep its prices level in relation with the cost. This price depression coincided with the significant increase in the market share of imports from the countries concerned, which consistently undercut Union prices. The presence of these low-priced imports prevented the Union industry from passing on costs of production to customers, thereby directly contributing to the deterioration of profitability, which fell to unsustainable levels.

(622) The Commission therefore concluded that, although energy cost developments and efficiency efforts influenced the cost structure of the Union industry, they do not attenuate the causal link established between the dumped imports and the material injury suffered by the Union industry.

5.3.5. EU Regulatory framework

(623) Some parties claimed that the EU regulatory framework was the source of the injury.

(624) The Union industry operates in a structural environment that involves significant regulatory compliance obligations and substantial investment requirements linked to the ongoing decarbonisation transition. These factors form part of the Union's long term operating environment and differ from the conditions faced by producers in third countries with less stringent regulatory frameworks and lower compliance burdens. However, these structural conditions are of a permanent nature and were present throughout the entire period considered. As such, they cannot explain the deterioration of the Union industry's economic situation observed during the period considered.

(625) The investigation showed that the worsening of the Union industry's performance coincided with the increase in low-priced dumped imports, which exerted sustained downward pressure on Union sales prices and forced price alignment in order to mitigate further losses of market share. This price depression resulted in a deterioration of many injury indicators, including profitability, sales volumes, market share, employment, production capacity, and cash flow.

(626) While the structural cost framework is part of the overall level of costs borne by the Union industry, it did not break the causal link between the dumped imports and the material injury established. The timing and magnitude of the injury are instead consistent with the development of dumped import volumes and pricing behaviour, rather than with stable and long-standing cost conditions.

(627) On this basis, it is concluded that the material injury suffered by the Union industry was caused by the dumped imports from the countries concerned, and that the structural cost framework, considered in isolation or in combination with other factors, did not attenuate the causal link established.

5.3.6. *Raw material price volatility*

(628) The Commission also examined whether fluctuations in raw material prices, including iron ore, coking coal, scrap and alloying elements, could have contributed to the injury suffered by the Union industry. These inputs constitute a significant share of the cost structure in steel production, and their prices are subject to volatility driven by global supply and demand conditions, energy costs, and geopolitical developments.

(629) Over the period considered, raw material markets were characterised by significant price fluctuations rather than a uniform trend. Iron ore and coking coal prices experienced periods of volatility, while scrap and alloy prices were also subject to

cyclical movements linked to global steel demand and regional supply constraints. Such volatility can lead to short-term increases in production costs and uncertainty in cost planning for producers.

(630) These developments may have contributed to fluctuations in unit production costs for the Union industry and affected cost predictability. However, such cost movements typically affect all steel producers globally and do not in themselves explain the specific deterioration in the Union industry's market position.

(631) In particular, despite the volatility in raw material input costs, the Union industry was able to reduce its overall unit cost of production by 23% over the period considered, demonstrating efforts to mitigate input cost pressures through efficiency gains and operational adjustments.

(632) However, these cost dynamics did not translate into improved financial performance, as average sales prices declined by approximately 31%, driven by sustained price pressure from dumped imports from the countries concerned. This divergence indicates that raw material price volatility did not drive the pricing in the Union market.

(633) The Commission therefore concluded that, while fluctuations in raw material prices may have affected production cost stability, they did not attenuate the causal link established between the dumped imports and the material injury suffered by the Union industry.

5.3.7. *Global overcapacity in the steel sector*

(634) The Commission also examined whether global overcapacity in the steel sector could have contributed to the injury suffered by the Union industry. The steel industry is characterised by persistent structural excess capacity at global level, which tends to exert downward pressure on prices through intensified international competition and increased availability of export volumes.

(635) In particular, significant excess capacity in China has contributed to increased competitive pressure in global steel markets. This has affected international trade flows and market conditions, including in the Union.

(636) In such a context, global overcapacity may influence market dynamics through increased availability of low-priced exports, which can intensify price competition and affect prevailing price levels in importing markets. These structural conditions are therefore relevant as a background factor in understanding global trade flows in steel products.

(637) However, the existence of global overcapacity does not alter the conclusions on causation. During the period considered, imports from the countries concerned significantly increased their presence on the Union market, with their combined market share rising from 16% to 23%, while remaining at consistently low price levels. The Commission therefore considered that global overcapacity constituted part of the overall market environment but did not break the causal link between the dumped imports from the countries concerned and the injury suffered by the Union industry.

(638) Imports from the countries concerned were systematically priced below those of the Union industry and exerted sustained downward pressure on Union prices, with average import prices decreasing by approximately 34% over the period considered. This indicates that any effects stemming from global overcapacity, including the

Chinese export push-out, were transmitted through and amplified by the dumped imports from the countries concerned.

(639) Moreover, the divergent performance of other third-country suppliers, whose market share declined from 14% to 11%, confirms that the injury cannot be explained by global capacity conditions alone, but is linked to the specific volume and price behaviour of the dumped imports.

(640) The Commission therefore concluded that, while global overcapacity constituted relevant structural background factors, they did not attenuate the causal link established between the dumped imports from the countries concerned and the material injury suffered by the Union industry.

5.3.8. *Covid-19 aftermath and geopolitical instability*

(641) Similarly, the Commission examined whether pandemic-related after-effects and geopolitical disruptions, including the consequences of COVID-19, armed conflicts, sanctions and regional instability, may have contributed to the injury suffered by the Union industry.

(642) While such events may have affected global supply chains and caused temporary demand and logistics disruptions, these effects were general in nature and impacted all market participants.

(643) In any event, they do not explain the divergent market performance observed over the period considered, in particular the increase in market share of imports from the countries concerned, alongside a decline in imports from other third countries.

(644) Moreover, imports from the countries concerned remained consistently priced below those of the Union industry, thereby exerting continuous downward pressure on Union prices independently of any pandemic-related or geopolitical developments.

(645) The Commission therefore concluded that such factors did not attenuate the causal link established between the dumped imports from the countries concerned and the material injury suffered by the Union industry.

5.4. Conclusion on causation

(646) A causal link was established between the dumped imports from the countries concerned on the one hand and the material injury suffered by the Union industry on the other hand. There was a clear coincidence in time between the increase in the volume of dumped imports at decreasing and depressed sales prices and the deterioration of the Union industry's economic situation, which became particularly evident over the period considered.

(647) Faced with strong price pressure from the dumped imports, the Union industry was forced to lower its prices in order to mitigate further losses of market share, which negatively affected its financial performance. This downward price adjustment resulted in a deterioration of many injury indicators such as profitability, sales volumes, market share, employment, production capacity and cash flow.

(648) The Commission examined whether other known factors could have contributed to the injury suffered by the Union industry. These included, inter alia, export performance of the Union producers, developments in demand, input cost fluctuations, and imports from third countries not subject to measures.

(649) While some of these factors may have had a limited impact on the Union industry's situation, none were found to break the causal link between the dumped imports and

the material injury. Taken individually or collectively, they did not attenuate the injurious effects of the dumped imports.

(650) On the basis of the above, the Commission concluded that the dumped imports from the countries concerned caused material injury to the Union industry, and that no other factors were such as to attenuate the causal link established.

6. LEVEL OF MEASURES

(651) To determine the level of the measures, the Commission examined whether a duty lower than the margin of dumping would be sufficient to remove the injury caused by dumped imports to the Union industry.

6.1. Injury margin

(652) The injury would be removed if the Union industry were able to obtain a target profit by selling at a target price within the meaning of Articles 7(2c) and 7(2d) of the basic Regulation.

(653) In accordance with Article 7(2c) of the basic Regulation, for establishing the target profit, the Commission took into account the following factors: the level of profitability before the increase of imports from the countries concerned, the level of profitability needed to cover full costs and investments, research and development (‘R&D’) and innovation, and the level of profitability to be expected under normal conditions of competition. Such profit margin should not be lower than 6%.

(654) The Commission considered that the profitability achieved by the Union industry during the period considered was not representative due to the strong price pressure caused by low-priced imports from the countries concerned. The Commission also noted that the steel industry operates in a structurally volatile environment during the period considered characterised by fluctuations in raw material and energy prices and persistent global overcapacity.

(655) The Commission further considered that it was not possible to establish a representative target profit on the basis of the years immediately preceding the investigation period, as those years were either affected by dumped imports from other countries, in particular China or by exceptional market circumstances. For example, the years 2020 and 2021 were heavily affected by the COVID-19 pandemic and the subsequent economic recovery, resulting in exceptional market conditions that could not be regarded as representative of normal competition. The Commission also considered that years in which the industry operated at sustained losses could not serve as an appropriate benchmark for determining a reasonable target profit.

(656) The Commission also examined the profitability achieved by the Union CRF industry in 2018, as established in Regulation (EU) 2022/2068[115]. However, the Commission considered that 2018 was characterised by exceptional circumstances, including the introduction of safeguard measures and the effects of the US Section 232 measures, which led to significant market distortions and trade diversion. Therefore, the profitability achieved in 2018 could not be regarded as sufficiently representative for establishing the target profit in the present investigation.

(657) The Commission therefore examined earlier representative periods. In particular, the original CRF investigation where the Commission concluded that 2008 represented the

[115] Commission Implementing Regulation (EU) 2022/2068.

most recent year reflecting normal conditions of competition and established a target profit of 9,9% based on the weighted average profitability achieved by the Union industry during that year.

(658) In light of the above, the Commission considered that a profit margin of 9,9% represented a reasonable and sufficiently substantiated level of profitability that the Union industry could achieve under normal conditions of competition in the absence of dumped imports. The basic profit was therefore established at 9,9%.

(659) The Union industry submitted that its level of investments, research and development (‘R&D’) and innovation (‘IRI’) during the period considered would have been slightly higher under normal conditions of competition. The Commission verified the information provided during the verification visits, including internal investment plans, management documents and financial records. The investigation confirmed that certain IRI-related expenditures had been affected by the injurious situation of the Union industry. On the basis of the verified information, the Commission therefore adjusted the target profit accordingly. The resulting adjustment amounted to up to 0,07% depending on the sampled producer.

(660) Consequently, the target profit established in this investigation in accordance with Article 7(2c) of the basic Regulation amounted to up to 9,97% depending on the situation of each sampled producer.

(661) On this basis, the Commission calculated a non-injurious price of the like product for the Union industry by applying the respective target profit margins to the cost of production of the sampled Union producers during the investigation period.

(662) In accordance with Article 7(2d) of the basic Regulation, as a final step, the Commission assessed the future costs resulting from Multilateral Environmental Agreements, and protocols thereunder, to which the Union is a party, that the Union industry will incur during the period of the application of the measure pursuant to Article 11(2). Based on the submitted information, which was supported by the companies’ reporting tools and forecasts, the Commission established an additional cost which represented up to EUR 7,78/tonne, depending on the situation of each sampled producer, in comparison with the cost of compliance with such conventions during the investigation period. This additional cost was added to the non-injurious price.

(663) The Commission then determined the injury margin level on the basis of a comparison of the weighted average import price of the sampled cooperating exporting producers in countries concerned, on a type-by-type basis (landed price) with the weighted average non-injurious price of the like product sold by the sampled Union producers on the free Union market during the investigation period, as established for the price undercutting calculations. Any difference resulting from this comparison was expressed as a percentage of the weighted average import CIF value. The result of this calculation is shown in the table below.

(664) The injury elimination level for ‘other cooperating companies’ and for ‘all other imports originating in country concerned’ is defined in the same manner as the dumping margin for these companies and imports.

Country	Company	Dumping margin	Underselling margins

India	– JSW Steel Limited – JSW Steel Coated Products Limited	9,5%	25,5%
	Other cooperating companies	9,5%	25,5%
	All other imports originating in India	9,5%	25,5%
Japan	– Nippon Steel Corporation – Daido Steel Co., Ltd.	56,0%	28,0%
	Other cooperating companies	56,0%	28,0%
	All other imports originating in Japan	56,0%	28,0%
Taiwan	– China Steel Corporation – Chung Hung Steel Corporation	36,5%	20,7%
	Other cooperating companies	36,5%	20,7%
	All other imports originating in Taiwan	59,6%	27,0%
Türkiye	Borçelik Çelik Sanayi Ticaret A.Ş..	9,7%	12,9%
	Tatmetal Çelik Sanayi ve Ticaret A. Ş..	5,6%	17,7%
	Other cooperating companies	7,3%	16,3%
	All other imports originating in Türkiye	9,7%	17,7%
Vietnam	POSCO VIETNAM CO., LTD	16,0%	25,8%
	Other cooperating companies	16,0%	25,8%
	All other imports originating in Vietnam	16,0%	25,8%

6.2. Examination of the margin adequate to remove the injury to the Union industry

(665) As explained in the Notice of Initiation, the complainant provided the Commission sufficient evidence that there are raw material distortions in India and Vietnam regarding the product under investigation. Therefore, in accordance with Article 7(2a) of the basic Regulation, this investigation examined the alleged distortions to assess whether, if relevant, a duty lower than the margin of dumping would be sufficient to remove injury.

(666) However, as the margins adequate to remove injury are higher than the dumping margins, the Commission considered that, at this stage, it was not necessary to address this aspect.

(667) Following the above assessment the Commission concluded that it is appropriate to determine the amount of definitive duties in accordance with Article 7(2) of the basic Regulation.

6.3. Conclusion on the level of measures

(668) Following the above assessment, definitive anti-dumping duties should be set as below in accordance with Article 7(2) of the basic Regulation:

Country	Company	Definitive anti-dumping duty
India	– JSW Steel Limited – JSW Steel Coated Products Limited	9,5%
	Other cooperating companies	9,5%
	All other imports originating in India	9,5%
Japan	– Nippon Steel Corporation – Daido Steel Co., Ltd.	28,0%
	Other cooperating companies	28,0%
	All other imports originating in Japan	28,0%
Taiwan	– China Steel Corporation – Chung Hung Steel Corporation	20,7%
	Other cooperating companies	20,7%
	All other imports originating in Taiwan	27,0%
Türkiye	Borçelik Çelik Sanayi Ticaret A.Ş.	9,7%
	Tatmetal Çelik Sanayi ve Ticaret A. Ş.	5,6%
	Other cooperating companies	7,3%
	All other imports originating in Türkiye	9,7%
Vietnam	POSCO VIETNAM CO., LTD	16,0%
	Other cooperating companies	16,0%

	All other imports originating in Vietnam	16,0%

7. UNION INTEREST

(669) Having decided to apply Article 7(2) of the basic Regulation, the Commission examined whether it could clearly conclude that it was not in the Union interest to adopt measures in this case, despite the determination of injurious dumping, in accordance with Article 21 of the basic Regulation. The determination of the Union interest was based on an appreciation of all the various interests involved, including those of the Union industry, importers, users.

7.1. Interest of the Union industry

(670) The Union industry is located in several Member States (Austria, Belgium, Czech Republic, Germany, Hungary, Italy, Luxemburg, Netherlands, Portugal, Slovakia, Slovenia, Spain and Sweden) and it employs directly 8598 FTE in relation to the product under investigation.

(671) Eleven producers cooperated during the investigation. None of the known producers opposed the initiation of the investigation. As concluded in section 4.5, the situation of the whole Union industry deteriorated as a result of dumped imports from the countries concerned. Material injury was shown in both the micro and the macro indicators and particularly material when it comes to the profitability, sales volumes and market shares of the Union industry.

(672) It is expected that the imposition of the anti-dumping duties will restore fair trading conditions on the Union market, end the price depression and enable the Union industry to recover. This would result in an improvement of the Union industry's profitability towards levels considered necessary for this capital intensive industry. The Union industry has suffered material injury caused by imports at dumped prices from the countries concerned. It is recalled that many injury indicators showed a negative trend during the period considered. In particular, market share and sales volume, as well as indicators pertaining to the financial performance of the sampled Union producers, such as profitability and return on investment, were seriously affected. It is therefore important to restore fair prices in order to allow all producers to operate on the Union market on a level playing field.

(673) In the absence of measures, a further deterioration of the Union industry's economic situation is very likely. A bad performance on CRF would impact the downstream activities of Union producers, and in particular their captive production. Union producers rely on the business model of a combination of free market sales and captive production. A deterioration of the free market segment could likewise put at risk the captive production segment, which represents bigger production volumes and employment figures than the former

(674) It is therefore concluded that the imposition of anti-dumping duties is in the interest of the Union industry as it would enable recovery from the effects of the injurious dumping established and support the long-term sustainability of Union production.

7.2. Interest of unrelated importers

(675) As mentioned in recital (90) no unrelated importer completed a questionnaire or provided the Commission with individual elements showing to what extent importers would be harmed by the imposition of measures.

(676) In the absence of cooperation and specific data, the likely effects of the imposition of measures on importers must be assessed based on facts available.

(677) It can reasonably be assumed that importers may face some cost increases as a result of the imposition of anti-dumping duties. However, as further developed in Section 7.4.1 below, the investigation confirmed the existence of alternative sources of supply, including from Union producers, and the possibility of continued imports at fair prices. These factors mitigate the potential impact of the measures; thus, any negative impact is expected to be limited.

(678) While importers may experience a narrowing of supply options or increased costs in the short term, these effects are likely to be moderate. Maintaining the status quo, on the other hand, would, ultimately threaten the viability of domestic supply and potentially lead to greater dependency on dumped imports in the future. On balance, the benefits to the Union industry outweigh the limited and unsubstantiated potential drawbacks for importers.

7.3. Interest of users, consumers or suppliers

(679) No users, consumers or suppliers cooperated in the investigation providing a questionnaire reply that was timely, complete, and in the required form. Consequently, no evidence was submitted indicating that the imposition of measures would have a significant adverse effect on users or downstream industries.

(680) Following the initiation of the investigation, BSH submitted comments (see recital (84), arguing that measures would increase input costs for downstream industries, and negatively affect competitiveness, employment and supply chain stability. However, BSH did not cooperate further in the investigation by submitting a questionnaire reply, nor did it substantiate its claims with verifiable data on, the share of the product concerned in its total costs of production, the ability to source the product from alternative suppliers, or the capacity to pass on any cost increase to its customers. In the absence of such substantiation, the claim could not be verified and was therefore rejected.

(681) In the absence of cooperation from users, the Commission assessed the likely effects of measures on the basis of the information available. The investigation showed that CRF products generally accounts for only a limited share of the overall production costs incurred by downstream users, including the automotive, construction, household appliances and industrial manufacturing sectors. Therefore, any potential price increase resulting from the imposition of measures would likely have only a limited impact on the overall cost structure of downstream users.

(682) At the same time, the imposition of measures would contribute to restoring fair competition on the Union market and to preserving a viable Union industry capable of ensuring a reliable supply of CRF products to downstream industries in the Union, thereby reducing the risk of supply disruptions and excessive dependence on dumped imports.

(683) In view of the above, the Commission concluded that there were no compelling reasons to consider that the imposition of anti-dumping measures would be against the interest of users.

7.4. Other factors

7.4.1. Availability of Supply

(684) Some interested parties claimed that the Union industry's structural limitations prevent it from supplying the Union market with the necessary volumes and qualities of cold-rolled steel. According to these parties, imposing additional trade measures would further tighten supply conditions, aggravate existing shortages, and lead to higher prices within the Union

(685) The Commission noted that the investigation confirmed the existence of alternative sources of supply, including Union producers, as well as the possibility of continued imports at fair prices. Specifically, as described in Table 31, the Union industry is operating at 72% of its production capacity, leaving an available capacity of approximately 12 million tonnes that could be mobilised to meet additional demand. The combined imports from the countries concerned represent a significantly lower volume than this available capacity. Furthermore, the investigation also identified the possibility of additional imports from other origins, which could contribute to ensuring sufficient supply to the Union market. The claim was therefore rejected.

7.4.2. Other steel measures

(686) Some interested parties claimed that the simultaneous application of anti-dumping measures and the new steel measure, in force since 1 July 2026 could unduly restrict access to the Union market. They argued that the combined effect of these measures could create disproportionate constraints on steel supply and raise concerns regarding consistency with the Union's wider external trade policy objectives.

(687) The Commission noted that anti-dumping measures and any prospective horizontal trade policy measures concerning steel served distinct legal purposes and pursued different objectives; one addresses unfair trading practices causing injury to the domestic industry while the other seeks to address the negative trade-related effects of global overcapacity in the Union's steel market. These instruments are based on different legal bases and required different evidentiary standards. They were therefore not interchangeable, and the existence, or possible future adoption, of one could not be a substitute for the other.

(688) The Commission noted that a quota-based measure or similar volume restriction would not address the price injury element established in the investigation. As shown in Section 4 and Section 5, the investigation established undercutting, underselling and price depression caused by dumped imports. These effects materialised regardless of import volumes. By contrast, anti-dumping duties counterbalance the unfair pricing component of the injury suffered by the Union industry.

(689) The Commission further noted that the imposition of duties is fully consistent with the Union's broader steel and trade policy objectives. By contrast, allowing injurious dumping to continue unaddressed would have undermined the rationale of the Union trade policy.

(690) In view of the above, the Commission concluded that there were no compelling reasons to consider that the imposition of anti-dumping measures would be against the Union interest. The arguments raised by the interested parties were therefore rejected.

7.5. Conclusion on Union interest

(691) On the basis of the above, the Commission concluded that there were no compelling reasons that it was not in the Union interest to impose measures on imports of CRF originating in countries concerned.

8. DEFINITIVE ANTI-DUMPING MEASURES

(692) In view of the conclusions reached with regard to dumping, injury, causation, level of measures and Union interest, and in accordance with Article 9(4) of the basic Regulation, definitive anti-dumping measures should be imposed in order to prevent further injury being caused to the Union industry by the dumped imports of the product concerned.

(693) On the basis of the above, the definitive anti-dumping duty rates, expressed on the CIF Union border price, customs duty unpaid, should be as follows:

Country	Company	Dumping margin (%)	Injury margin (%)	Definitive anti-dumping duty (%)
India	– JSW Steel Limited – JSW Steel Coated Products Limited	9,5%	25,5%	9,5%
	Other cooperating companies (see annex)	9,5%	25,5%	9,5%
	All other imports originating in India	9,5%	25,5%	9,5%
Japan	– Nippon Steel Corporation – Daido Steel Co., Ltd.	56,0%	28,0%	28,0%
	Other cooperating companies (see annex)	56,0%	28,0%	28,0%
	All other imports originating in Japan	56,0%	28,0%	28,0%

Taiwan	– China Steel Corporation – Chung Hung Steel Corporation	36,5%	20,7%	20,7%
	Other cooperating companies (see annex)	36,5%	20,7%	20,7%
	All other imports originating in Taiwan	59,6%	27,0%	27,0%
Türkiye	Borçelik Çelik Sanayi Ticaret A.Ş.	9,7%	12,9%	9,7%
	Tatmetal Çelik Sanayi ve Ticaret A. Ş.	5,6%	17,7%	5,6%
	Other cooperating companies (see annex)	7,3%	16,3%	7,3%
	All other imports originating in Türkiye	9,7%	17,7%	9,7%
Vietnam	POSCO VIETNAM CO., LTD	16,0%	25,8%	16,0%
	Other cooperating companies (see annex)	16,0%	25,8%	16,0%
	All other imports originating in Vietnam	16,0%	25,8%	16,0%

9. RETROACTIVE COLLECTION

(694) As mentioned in recital (3), the Commission made imports of the product under investigation subject to registration.

(695) Eurofer made a claim that the retroactive application of definitive anti-dumping duties should remain legally available where the conditions set out in Article 10(4) of the basic Regulation are fulfilled and imports have been registered pursuant to Article 14(5), even in the absence of provisional measures. In support of its claim, Eurofer argued that Article 10(4) does not expressly require the prior imposition of provisional measures and referred to case law concerning the objective of preventing stockpiling and preserving the effectiveness of definitive measures.

(696) However, the Commission considered that Article 10(4) of the basic Regulation cannot be interpreted in isolation but must be read together with Article 10 as a whole, which governs the relationship between provisional and definitive duties. In this respect, the retroactive application provided for in Article 10(4) constitutes an exceptional extension of the system of provisional measures, allowing definitive duties to be collected on registered imports made prior to the imposition of provisional duties. Therefore, the Commission considered that the retroactive application mechanism under Article 10(4) is intrinsically linked to the prior imposition of provisional measures. The Commission therefore concluded that, as provisional measures were not imposed in the present investigation, the conditions for the retroactive application of definitive anti-dumping duties pursuant to Article 10(4) of the basic Regulation were not met.

ANNEX

Other cooperating exporting producers not sampled

(All exporting producers should check carefully the spelling of their company name in English below. Please notify the Commission of any errors immediately)

Country	Name
India	Tata Steel India
Japan	JFE Steel Corporation
	Proterial, Ltd.
Taiwan	Synn Industrial Co., Ltd.
Türkiye	Erdemir Group • Ereğli Demir ve Çelik Fab. T.A.Ş. • Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş.
	ATAKAŞ ÇELİK SANAYİ VE TİCARET ANONİM ŞİRKETİ
	Yıldız Entegre Ağaç Sanayi ve Ticaret A.Ş.
	Gazi Metal Mamülleri Sanayi ve Ticaret A.Ş
Vietnam	CÔNG TY CỔ PHẦN CHINA STEEL & NIPPON STEEL VIỆT NAM
	Công ty Cổ phần Tập đoàn Hoa Sen

EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR TRADE AND ECONOMIC SECURITY

Brussels, 6 August 2026
TRADE.G.4.001/EV/(2026)
TRADE.G.4(2026)8472978

Taipei Representative Office
in the European Union
Square de Meeûs 26-27
B-1000 Brussels

By email:
bel@mofa.gov.tw;
belgium@sa.moea.gov.tw

Subject: AD739 - Anti-dumping proceeding concerning imports of certain cold-rolled flat steel products originating, *inter alia*, in Taiwan

Dear Sir, / Dear Madam,

The Directorate-General for Trade and Economic Security of the European Commission presents its compliments to the Taipei Representative Office in the European Union and has the honour to refer to the ongoing proceeding by the Commission with regard to imports into the European Union of certain cold-rolled flat steel products originating, *inter alia*, in Taiwan**,** which was the subject of the letter of 17 April 2026.

The European Commission has the honour to provide the Taipei Representative Office in the European Union with the disclosure of the definitive findings. These findings were also disclosed to the interested parties. The deadline for comments is 17 August 2026.

The Directorate-General for Trade and Economic Security of the European Commission takes this opportunity to renew to the Taipei Representative Office in the European Union the assurance of its highest consideration.

The present notification is provided in accordance with Article 5(11) of Regulation (EU) 2016/1036 of the European Parliament and the Council on protection against dumped imports from countries not members of the European Union and with Article 6.1.3 of the Agreement in Implementation of Article VI of the General Agreement on Tariffs and Trade 1994.

(e-signed)

Enrique VALERDI RODRIGUEZ
Head of Sector

Enclosure: General Disclosure Document