Brussels, 16 May 2024

GENERAL DISCLOSURE DOCUMENT

Proposal to amend Commission Implementing Regulation (EU) 2023/265 imposing antidumping measures on imports of ceramic tiles originating in, inter alia, Türkiye, following a "non-granted" NEPT request by Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi, Türkiye

OFFICIALS IN CHARGE

Mr Arthur Braam - Head of Sector

Ms Sonia Herrero Rada – Case handler

Mr Paolo de Chiara – Case handler

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A. MEASURES IN FORCE

- (1) On 10 February 2023, the Commission imposed a definitive anti-dumping duty on imports into the Union of ceramic tiles originating in, *inter alia*, Türkiye ('the product concerned') by Implementing Regulation (EU) No 2023/265 ('the original Regulation').
- (2) In the investigation leading to the imposition of definitive anti-dumping duties ('original investigation'), sampling was applied for investigating the exporting producers in, *inter alia*, Türkiye in accordance with Article 17 of Regulation (EU) 2016/1036 ('the basic Regulation').
- (3) The Commission imposed individual anti-dumping duty rates ranging from 4,8 % to 20,9 % on imports of ceramic tiles for the sampled exporting producers from Türkiye. The Turkish cooperating exporting producers that were not included in the sample were made subject to a duty rate of 9,2 % which is the weighted average duty rate of the sampled Turkish exporting producers found to be dumping. The names of the Turkish cooperating exporting producers not included in the sample are listed in Annex II of the original Regulation. A country-wide duty rate of 20,9 % was imposed on ceramic tiles from companies in Türkiye which did not cooperate with the investigation.
- (4) Pursuant to Article 2 of the original Regulation, Article 1(2) of that Regulation can be amended by granting a new Turkish exporting producer the duty rate applicable to the cooperating companies not included in the sample, namely the weighted average duty rate of 9,2 %, where that new exporting producer in Türkiye provides sufficient evidence to the Commission that: (i) it did not export the product concerned to the Union during the original investigation period (1 July 2020 to 30 June 2021); (ii) it is not related to an exporting producer that did so; and (iii) has exported the product concerned thereafter or has entered into an irrevocable contractual obligation to do so in substantial quantities.

B. REQUEST

- (5) The company Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi ('the applicant') submitted a request to the Commission to be granted new exporting producer treatment ('NEPT') and hence be subject to the duty rate applicable to the cooperating companies in Türkiye not included in the sample, i.e. 9,2 %, claiming that it met all three conditions set out in Article 2 of the original Regulation.
- (6) In order to determine whether the applicant fulfilled the conditions for being granted NEPT, as set out in Article 2 of the original Regulation ('the NEPT conditions'), the Commission first sent a questionnaire to the applicant requesting evidence showing that it met the NEPT conditions.
- (7) Following the analysis of the questionnaire reply, the Commission requested several clarifications, which were submitted by the applicant.

C. ANALYSIS OF THE REQUEST

(8) With regard to the NEPT condition that the applicant is not related to any exporters or producers that exported the product concerned during the original investigation, the Commission identified a relationship¹ between the applicant and NG Kütahya Seramik

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Article 127 of Commission Implementing Regulation (EU) 2015/2447 (OJ L 343, 29.12.2015, p. 558) (the EU Customs Code), stipulates that two persons shall be deemed to be related if one of the

- Porselen Turizm A.Ş. ("NG Kütahya"), a non-sampled co-operating exporting producer in the original investigation.
- (9) By letter dated 23 January 2024, the Commission informed the applicant that, given the family links between the shareholders and the management of the applicant and NG Kütahya, the applicant and NG Kütahya was considered to be part of the same group for trade defence purposes, but that it would assess the applicant's request as an exporting producer related to a cooperating exporting producer listed in Annex II of the original Regulation.
- (10) The Commission requested further information and supporting evidence, in particular with regard to when the applicant started manufacturing ceramic tiles and exporting these to the Union.
- (11) On the basis of the applicant's reply, the Commission confirmed that the applicant was related to NG Kütahya during the original investigation period, although it was not yet a ceramic tiles producer then. The Turkish Trade Registry Gazette showed that the applicant was founded in 2005. Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi started the construction of a new factory to manufacture ceramic tiles in 2017 and should have been operational in the original investigation period. However, delays were incurred and that factory opened in August 2022 only. This is confirmed in the audited reports for the financial years ending in 2021 and 2022 and the Turkish Trade Registry Gazette, which reported that the applicant opened a ceramic tiles factory in 2022².
- (12) Since the duty applicable to the entity NG Kütahya Seramik Porselen Turizm A.Ş was based on the average of the sampled exporting producers, the inclusion of Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi does not alter the Commission's findings in this respect. Upon request, Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi confirmed to the Commission that its application concerned imports as of the date when the initial questionnaire reply referred to in paragraph (7) was submitted. Thus, the Commission finds it appropriate that the anti-dumping duty on exports of NG Kütahya Seramik Porselen Turizm A.Ş becomes applicable to exports of Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi's products to the Union as of 27 November 2023.
- (13) In light of the above, the Commission considered it appropriate to amend Annex II of the original Regulation by adding Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi, as a related exporting producer, to the entity NG Kütahya Seramik Porselen Turizm A.Ş listed under TARIC additional code C912.

D. DISCLOSURE

following conditions is fulfilled: (a) they are officers or directors of the other person's business; (b) they are legally recognised partners in business; (c) they are employer and employee; (d) a third party directly or indirectly owns or controls or holds 5 % or more of the outstanding voting stock or shares of both of them; (e) one of them directly or indirectly controls the other; (f) both of them are directly or indirectly controlled by a third person; (g) together they control a third person directly or indirectly; (h) they are members of the same family. Persons who are associated in business with one another in that one is the sole agent, sole distributor or sole concessionaire, however described, of the other shall be deemed to be related only if they fall within the criteria referred to in the preceding sentence.

This was further confirmed by the supplier of the relevant manufacturing technology in a press release: https://www.sacmi.com/fr-FR/ceramics/news/14943/Gural-Seramik-invests-with-SACMI-new-6-million-m2-year-production-facility-now-operational (last viewed on 11 March 2024).

- (14) The applicant, the Union industry and other interested parties are hereby informed of the essential facts and considerations based on which it is considered appropriate to amend Annex II of the original Regulation by adding Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi, as a related exporting producer, to the entity NG Kütahya Seramik Porselen Turizm A.Ş listed under TARIC additional code C912.
- (15) TARIC additional code C912, previously only attributed to NG Kütahya Seramik Porselen Turizm A.Ş., would also apply to Güral Porselen Turizm ve Vitrifiye Sanayi Anonim Şirketi, as of 27 November 2023.
- (16) Interested parties are granted a period within which they can make representations subsequent to this disclosure.