



2024/2217

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COMMISSION IMPLEMENTING REGULATION (EU) 2024/2217

of 6 September 2024

terminating the partial interim review of the anti-subsidy measures applicable to imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries and with a load index exceeding 121 originating in the People's Republic of China

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2016/1037 of the European Parliament and of the Council of 8 June 2016 on protection against subsidised imports from countries not members of the European Union ⁽¹⁾ ('the basic anti-subsidy Regulation'), and in particular Article 19 thereof,

Whereas:

1. PROCEDURE

1.1. Measures in force

- (1) On 9 November 2018, by Commission Implementing Regulation (EU) 2018/1690 ⁽²⁾ ('the original Regulation'), the European Commission ('the Commission') imposed definitive countervailing duties on imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries, with a load index exceeding 121 originating in the People's Republic of China ('PRC'). The countervailing duties ranged between EUR 3,75 per unit and EUR 57,28 per unit. The investigation that led to the imposition of the original measures will hereinafter be referred to as 'the original investigation'.
- (2) Following a challenge lodged by China Rubber Industry Association and China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters, the General Court of the European Union annulled on 4 May 2022, in its judgement in Cases T-30/19 and T-72/19 ⁽³⁾ ('the Court judgement'), the original Regulation as regards several exporting producers.
- (3) Following the Court judgment, the Commission reopened the investigation and on 4 April 2023, the Commission re-imposed definitive countervailing duties on several exporting producers by Commission Implementing Regulation (EU) 2023/738 ⁽⁴⁾ ('the second Regulation').
- (4) The countervailing duties currently in force range between EUR 3,75 per unit and EUR 57,28 per unit. GITI Tire (Anhui) Company Ltd.; GITI Tire (Fujian) Company Ltd.; GITI Tire (Hualin) Company Ltd. and GITI Tire (Yinchuan) Company Ltd. are currently subject to a countervailing duty of EUR 11,07 per unit.

⁽¹⁾ OJ L 176, 30.6.2016, p. 55.

⁽²⁾ Commission Implementing Regulation (EU) 2018/1690 of 9 November 2018 imposing definitive countervailing duties on imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries and with a load index exceeding 121 originating in the People's Republic of China and amending Commission Implementing Regulation (EU) 2018/1579 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries, with a load index exceeding 121 originating in the People's Republic of China and repealing Implementing Regulation (EU) 2018/163 (OJ L 283, 12.11.2018, p. 1).

⁽³⁾ Judgement of the General Court (Tenth Chamber, Extended Composition) of 4 May 2022, China Rubber Industry Association (CRIA) and China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCMC) v European Commission, T-30/19 and T-72/19, ECLI:EU:T:2022:266.

⁽⁴⁾ Commission Implementing Regulation (EU) 2023/738 of 4 April 2023 re-imposing a definitive countervailing duty on imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries, with a load index exceeding 121 originating in the People's Republic of China following the judgment of the General Court in joined cases T-30/19 and T-72/19 (OJ L 96, 5.4.2023, p. 45).

1.2. Request for a partial interim review limited to subsidies

- (5) On 16 August 2021, the GITI Group ('the applicant') lodged a request for a name change which concerned the exporting producer GITI Tire (Anhui) Company Ltd. The applicant requested to rename GITI Tire (Anhui) Company Ltd. into GITI Radial Tire (Anhui) Company Ltd. in the original Regulation as the latter had taken over the operations of the former. The Commission requested the applicant to fill in a questionnaire set for a name change. The applicant submitted the reply to the questionnaire within the deadline set for that purpose.
- (6) The applicant explained that in April 2021 it had decided to restructure some of its operations in China, in particular merging three companies into GITI Radial Tire (Anhui) Company Ltd.: GITI Tire (Anhui) Company Ltd., GITI Radial Tire (Anhui) Company Ltd. and Anhui GITI Tire Retreading Company Ltd.
- (7) Following further exchanges, the Commission informed the applicant that the name change request was not appropriate to assess the restructuring process described by the applicant, where the exporting producer GITI Tire (Anhui) Company Ltd. with a TARIC additional code C332 would be deregistered at the end of the merger process. The Commission explained that an interim review investigation would be necessary to assess the restructuring process.
- (8) On 8 September 2023, the Commission received a request for a partial interim review pursuant to Article 19 of the basic anti-subsidy Regulation from the GITI Group ('the applicant'). The request was to examine if the restructuring of the GITI Group should result in the recalculation of the subsidy margin for the applicant and to change the name of the exporting producer GITI Tire (Anhui) Company Ltd. for GITI Radial Tire (Anhui) Company Ltd.

1.3. Initiation of a partial interim review limited to subsidies

- (9) Having determined, after informing the Member States, that sufficient evidence existed to justify the initiation of a partial interim review limited in scope to the examination of subsidies as far as the applicant was concerned, on 15 December 2023, the Commission initiated a partial interim review in accordance with Article 19 of the basic anti-subsidy Regulation by a notice published in the *Official Journal of the European Union* ⁽³⁾ ('Notice of Initiation').
- (10) Prior to the initiation of the partial interim review, and in accordance with Article 10(7) of the basic anti-subsidy Regulation, the Commission notified the Government of China ('GOC') that it had received a properly documented partial interim review request and invited the GOC for consultations with the aim of clarifying the situation as regards the content of the request. However, no response was received from the GOC.

1.4. Parallel expiry review

- (11) On 10 November 2023, the Commission had initiated an expiry review concerning imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries and with a load index exceeding 121, originating, in the PRC pursuant to Article 18 of the basic anti-subsidy Regulation. The expiry review was requested by the Coalition Against Unfair Tyres Imports, an ad hoc association of European producers on behalf of the Union industry in the sense of Article 10(6) of the basic anti-subsidy Regulation. The investigation under the expiry review is ongoing.

1.5. Investigation

- (12) The investigation related to the partial interim review limited to subsidies covered the period from 1 July 2022 to 30 June 2023 ('the review investigation period').

⁽³⁾ Notice of initiation of a partial interim review of the anti-subsidy measures applicable to imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries and with a load index exceeding 121 originating in the People's Republic of China (OJ C, C/2023/1491, 15.12.2023, ELI: <http://data.europa.eu/eli/C/2023/1491/oj>).

- (13) The Commission informed the applicant, the authorities of the exporting country and the Union industry of the initiation of the partial interim review investigation. Interested parties were given the opportunity to make their views known in writing and to be heard.
- (14) The Commission sent a questionnaire to the GOC. No reply was received.
- (15) The Commission sent questionnaires to the GITI Group in order to obtain the information necessary for its investigation. To reduce the administrative burden, the Commission agreed with the applicant's proposal to use its replies to the questionnaires submitted under the expiry review investigation. Replies were received within the deadline set for that purpose.

2. PRODUCT CONCERNED AND LIKE PRODUCT

2.1. Product concerned

- (16) The product under review is the same as in the original and second Regulations, namely certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries, with a load index exceeding 121, currently falling under CN codes 4011 20 90 and ex 4012 12 00 (TARIC code 4012 12 00 10) and originating in PRC ('the product concerned').

2.2. Like product

- (17) As established in the original investigation, the product concerned and the product produced and sold in the Union by the Union industry share the same basic physical characteristics and basic uses.
- (18) The Commission therefore concluded that these products are alike within the meaning of Article 2 of the basic anti-subsidy Regulation.

3. LASTING NATURE OF CHANGED CIRCUMSTANCES

- (19) In accordance with Article 19 of the basic anti-subsidy Regulation, the Commission examined whether the circumstances on the basis of which the current measures were established have changed significantly, and whether such change was of a lasting nature.
- (20) First, the applicant reported that in June 2023, GITI Radial Tire (Anhui) Company Ltd., located next to GITI Tire (Anhui) Company Ltd., had completed the absorption of three other companies of the GITI Group, namely: (i) GITI Tire (Anhui) Company Ltd.; (ii) Anhui Prime Cord Fabrics Company Ltd. and (iii) Anhui GITI Tire Retreading Company Ltd. In the original investigation the Commission had investigated all these companies except Anhui GITI Tire Retreading Company Ltd. GITI Tire (Anhui) Company Ltd. was one of the exporting producers while GITI Radial Tire (Anhui) Company Ltd. and Anhui Prime Cord Fabrics Company Ltd. provided input materials. The Commission had found in the original investigation that all these companies had benefitted directly from subsidies such as grants, preferential financing, tax rebates or the provision of goods and services by the government for less than an adequate remuneration.
- (21) On the basis of the evidence submitted by the applicant, the resulting merged company will largely continue carrying out the same production and supply activities as the original investigated companies. There is no indication that the entitlement of subsidies examined in the original investigation would significantly change as a result of the merger. Therefore, in view of Article 19(4), the Commission does not consider that the reported merger has changed the circumstances as regards to subsidisation and, that a modification of the anti-subsidy measures would be warranted on that basis.
- (22) In view of the merger described above, the applicant requested to replace the references to GITI Tire (Anhui) Company Ltd. for GITI Radial Tire (Anhui) Company Ltd. in the second Regulation. The evidence submitted by the applicant shows that the absorption of GITI Tire (Anhui) Company Ltd. was finalised as of 6 July 2023, the day when GITI Radial Tire (Anhui) Company Ltd. obtained its new business license, after having filed an application to the relevant authorities on 20 June 2023. Therefore, the Commission considers appropriate to amend Implementing Regulation (EU) 2023/738 to reflect the takeover of the production activities of GITI Tire (Anhui) Company Ltd. by GITI Radial Tire (Anhui) Company Ltd. and to attribute the additional TARIC code C332 to GITI Radial Tire (Anhui) Company Ltd.

- (23) Second, the applicant also reported other corporate changes affecting several companies within the GITI Group. The changes mostly involve i) changes to the level of production activity of exporting producers and input material providers and ii) minor corporate changes. There is no indication that the reported corporate changes have changed the circumstances as regards to subsidisation and, that a modification of the level of the anti-subsidy measures would be warranted on that basis.
- (24) Finally, the Commission identified and corrected clerical errors in the names of the four exporting producers of the GITI Group listed in Article 1(2) of the second Regulation. In particular, the term ‘Co.,’ was deleted from each name.
- (25) The applicant was given the opportunity to comment on this Regulation. The applicant noted that in response to their original application for a name change, the Commission had instructed the GITI Group to request an interim review. The applicant noted that they did not expect the termination of the investigation before the recalculation of the subsidy margin. The applicant agreed however with the findings and understood the Commission’s decision to terminate the investigation.

4. TERMINATION OF THE INVESTIGATION

- (26) Interested parties were informed of the essential facts and considerations on the basis of which it was intended to terminate this investigation and were given the opportunity to comment.
- (27) For the reasons stated above, the Commission therefore concludes that the partial interim review of the anti-subsidy measures concerning imports of the product concerned originating in China should be terminated.
- (28) This Regulation is in accordance with the opinion of the Committee established by Article 25(1) of Regulation (EU) 2016/1037,

HAS ADOPTED THIS REGULATION:

Article 1

1. Article 1(2) of Implementing Regulation (EU) 2023/738 is amended as follows:

‘GITI Tire (Anhui) Company Co., Ltd; GITI Tire (Fujian) Company, Co., Ltd; GITI Tire (Hualin) Company Co., Ltd; GITI Tire (Yinchuan) Company Co., Ltd	11,07	C332’
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is replaced by

‘GITI Radial Tire (Anhui) Company Ltd.; GITI Tire (Fujian) Company Ltd.; GITI Tire (Hualin) Company Ltd.; GITI Tire (Yinchuan) Company Ltd.	11,07	C332’
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2. TARIC additional code C332 previously attributed to GITI Tire (Anhui) Company Ltd. shall apply to GITI Radial Tire (Anhui) Company Ltd. as of 6 July 2023. As of this date, any definitive duty paid on imports of products manufactured by GITI Radial Tire (Anhui) Company Ltd. in excess of the countervailing duty established in Article 1(2) of Implementing Regulation (EU) 2023/738 as regards GITI Tire (Anhui) Company Ltd. shall be repaid or remitted in accordance with the applicable customs legislation.

Article 2

The partial interim review limited in scope to subsidies to the GITI Group as regards the countervailing duty applicable to imports of certain pneumatic tyres, new or retreaded, of rubber, of a kind used for buses or lorries, with a load index exceeding 121, currently falling under CN codes 4011 20 90 and ex 4012 12 00 (TARIC code 4012 12 00 10) and originating in the People’s Republic of China is terminated.

Article 3

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 6 September 2024.

For the Commission
The President
Ursula VON DER LEYEN