



COMMISSION IMPLEMENTING REGULATION (EU) 2026/428

of 25 February 2026

imposing a definitive anti-dumping duty on imports of steel road wheels originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union ⁽¹⁾ ('the basic Regulation'), and in particular Article 11(2) thereof,

Whereas:

1. PROCEDURE

1.1. Measures in force

- (1) By Implementing Regulation (EU) 2020/353 ⁽²⁾ ('the original Regulation'), the Commission imposed anti-dumping duties ('the original measures') on imports of steel road wheels ('SRW') originating in the People's Republic of China ('the PRC' or 'China') which was amended by Commission Implementing Regulation (EU) 2020/1165 ⁽³⁾ ('the amending Regulation').
- (2) The anti-dumping duties ranged between 50,3 % and 66,4 %.

1.2. Request for an expiry review

- (3) Following the publication of a notice of impending expiry of the anti-dumping measures in force ⁽⁴⁾, the Commission received a request for a review pursuant to Article 11(2) of the basic Regulation.
- (4) The request for review was submitted on 4 December 2024 by the Association of European Wheel Manufacturers ('EUWA' or 'the applicant') on behalf of the Union industry of steel road wheels in the sense of Article 5(4) of the basic Regulation ('the request'). The request was based on the grounds that the expiry of the measures against imports originating in the PRC would be likely to result in a recurrence of dumping and injury to the Union industry.

⁽¹⁾ OJ L 176, 30.6.2016, p. 21, ELI: <http://data.europa.eu/eli/reg/2016/1036/oj>.

⁽²⁾ Commission Implementing Regulation (EU) 2020/353 of 3 March 2020 imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of steel road wheels originating in the People's Republic of China (OJ L 65, 4.3.2020, p. 9, ELI: http://data.europa.eu/eli/reg_impl/2020/353/oj).

⁽³⁾ Commission Implementing Regulation (EU) 2020/1165 of 6 August 2020 amending Implementing Regulation (EU) 2020/353 imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of steel road wheels originating in the People's Republic of China (OJ L 258, 7.8.2020, p. 9, ELI: http://data.europa.eu/eli/reg_impl/2020/1165/oj).

⁽⁴⁾ Notice of the impending expiry of certain anti-dumping measures (OJ C, C/2024/3539, 6.6.2024, ELI: <http://data.europa.eu/eli/C/2024/3539/oj>).

1.3. Initiation of an expiry review

- (5) Having determined, after consulting the Committee established by Article 15(1) of the basic Regulation, that sufficient evidence existed for the initiation of an expiry review, on 3 March 2025 the Commission initiated an expiry review with regard to the anti-dumping measures applicable to imports into the Union of steel road wheels originating in the PRC ('the country concerned') on the basis of Article 11(2) of the basic Regulation. It published a Notice of Initiation in the *Official Journal of the European Union* ⁽⁵⁾ ('the Notice of Initiation').

1.4. Review investigation period and period considered

- (6) The investigation of continuation or recurrence of dumping covered the period from 1 January 2024 to 31 December 2024 ('review investigation period' or 'RIP'). The examination of trends relevant for the assessment of the likelihood of a continuation or recurrence of injury covered the period from 1 January 2021 to the end of the review investigation period ('the period considered').

1.5. Interested parties

- (7) In the Notice of Initiation, interested parties were invited to contact the Commission in order to participate in the investigation. In addition, the Commission specifically informed the applicant, other known Union producers, known importers, users, traders as well as associations known to be concerned about the initiation of the expiry review and invited them to participate. The Commission also informed the Government of the People's Republic of China ('the GOC') and provided it with a questionnaire concerning the existence of significant distortions in China within the meaning of Article 2(6a)(b) of the basic Regulation.
- (8) Interested parties had an opportunity to comment on the initiation of the expiry review and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings. None of the interested parties requested a hearing.

1.6. Sampling

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

1.6.1. Sampling of Union producers

- (10) In the Notice of Initiation, the Commission stated that it had provisionally selected a sample of Union producers. The Commission had selected the sample on the basis of volume of production and sales of the like product in the Union during the review investigation period, whilst account was also taken of geographical spread. This sample consisted of three Union producers located in three Member States, collectively representing more than 40 % of the estimated total volume of production and sales of the like product in the Union.
- (11) In accordance with Article 17(2) of the basic Regulation, the Commission invited interested parties to comment on the provisional sample. No comments were received. Therefore, the Commission concluded that the sample was representative of the Union industry, and it confirmed the sample on 11 March 2025. The Commission instructed the sampled Union producers to reply to the questionnaire that had been made available online ⁽⁶⁾ on the day of initiation.
- (12) The sampled Union producers as well as the other Union producers participating in this investigation had requested the Commission that their identity is kept confidential throughout the proceeding, pursuant to Article 19 of the basic Regulation, on grounds of a fear of retaliatory measures by some of their customers. The Commission, based on good cause shown in the request, accepted to grant anonymity to the Union producers.

⁽⁵⁾ Notice of initiation of an expiry review of the anti-dumping measures applicable to imports of steel road wheels originating in the People's Republic of China (OJ C, C/2025/1461, 3.3.2025, ELI: <http://data.europa.eu/eli/C/2025/1461/oj>).

⁽⁶⁾ <https://tron.trade.ec.europa.eu/investigations/case-view?caseId=2778>.

1.6.2. *Sampling of importers*

- (13) To decide whether sampling was necessary and, if so, to select a sample, the Commission asked unrelated importers to provide the information specified in the Notice of Initiation.
- (14) No unrelated importer provided the requested information and agreed to be included in the sample. Hence, the Commission decided that sampling of unrelated importers was not necessary.

1.6.3. *Sampling of exporting producers*

- (15) To decide whether sampling was necessary and, if so, to select a sample, the Commission asked all known exporting producers in the PRC to provide the information specified in the Notice of Initiation. In addition, the Commission asked the Mission of the PRC to the European Union to identify and/or contact other exporting producers, if any, that could be interested in participating in the investigation.
- (16) None of the producers in the PRC provided the requested information and agreed to be included in the sample. The Commission therefore considered that no producers in China cooperated with the investigation.

1.7. **Replies to the questionnaire**

- (17) The Commission did not receive any reply to the questionnaire for the GOC referred to in recital (7). Therefore, there was no cooperation from the GOC.
- (18) Questionnaire replies were received from the three sampled Union producers.

1.8. **Verification visits**

- (19) The Commission sought and verified all the information deemed necessary for the determination of likelihood of continuation or recurrence of dumping and injury and of the Union interest. Verification visits pursuant to Article 16 of the basic Regulation were carried out at the premises of the following Union producers (7):
- Company 2, European Union.
 - Company 6, European Union.
- (20) Moreover, the Commission carried out a remote cross-check of the questionnaire reply of Company 3 and a verification of the macro-indicators submitted by the applicant at its premises.

1.9. **Subsequent procedure**

- (21) On 8 January 2026, the Commission disclosed the essential facts and considerations on the basis of which it intended to maintain the anti-dumping duties in force. All parties were granted a period within which they could make comments on the disclosure.
- (22) No comments were received.

(7) All three sampled Union producers were part of the applicant, who submitted the request under the condition that each producer be granted anonymous treatment, citing a genuine risk of commercial retaliation from their Union customers, who are also customers of the Chinese exporting producers. The Commission considered the request for anonymity to be duly warranted and granted it accordingly.

2. PRODUCT UNDER REVIEW, PRODUCT CONCERNED AND LIKE PRODUCT

2.1. Product under review

- (23) The product subject to this review is the same as in the original investigation, namely wheels of steel designed for use on the road, whether or not with their accessories and whether or not fitted with tyres, designed for:
- road tractors,
 - motor vehicles for the transport of persons and/or the transport of goods,
 - special purpose motor vehicles (for example, fire-fighting vehicles, spraying lorries),
 - trailers or semi-trailers, not mechanically propelled, of the above listed vehicles currently falling under CN codes ex 8708 70 10, ex 8708 70 99 and ex 8716 90 90 (TARIC codes 8708 70 10 80, 8708 70 10 85, 8708 70 99 20, 8708 70 99 80, 8716 90 90 95 and 8716 90 90 97) ('the product under review').
- (24) The following products are excluded:
- road wheels of steel for the industrial assembly of pedestrian-controlled tractors currently falling under subheading 8701 10,
 - wheels for road quad bikes,
 - wheel centres in star form, cast in one piece, of steel,
 - wheels for motor vehicles, specifically designed for uses other than on public roads (for example, wheels for agricultural tractors or forestry tractors, for forklifts, for pushback tractors, for dumpers designed for off-highway use),
 - wheels for passenger car trailers and for caravans, not mechanically propelled, with a rim diameter of not more than 16 inches,
 - wheels for trailers or semi-trailers, specifically designed for uses other than on public roads (for example, wheels for agricultural trailers and other trailed agricultural equipment used in fields).

2.2. Product concerned

- (25) The product concerned by this investigation is the product under review originating in the PRC, currently falling under CN codes ex 8708 70 10, ex 8708 70 99 and ex 8716 90 90 (TARIC codes 8708 70 10 80, 8708 70 10 85, 8708 70 99 20, 8708 70 99 80, 8716 90 90 95 and 8716 90 90 97) ('the product concerned').

2.3. Like product

- (26) As established in the original investigation, this expiry review investigation confirmed that the following products have the same basic physical, and technical characteristics as well as the same basic uses:
- the product concerned when exported to the Union,
 - the product under review produced and sold on the domestic market of the PRC,
 - the product under review produced and sold by Chinese exporting producers to the rest of the world, and
 - the product under review produced and sold in the Union by the Union industry.
- (27) These products are therefore considered to be like products within the meaning of Article 1(4) of the basic Regulation.

3. DUMPING

3.1. Preliminary remarks

- (28) During the review investigation period, i.e. from 1 January 2024 to 31 December 2024, imports of steel road wheels from PRC continued, albeit at low levels. They held a market share below 1 % throughout the period considered (0,8 % in the review investigation period) whereas their market share had reached 5,3 % in the investigation period of the original investigation.
- (29) As mentioned in recital (16), none of the exporting producers from the PRC cooperated in the investigation. Therefore, the Commission informed the authorities of the PRC that, due to the absence of cooperation, the Commission might apply Article 18 of the basic Regulation and base its findings on continuation or recurrence of dumping and injury in respect of the exporters/producers in the PRC on the facts available. The Commission did not receive any comments or claims from the GOC regarding the application of Article 18 of the basic Regulation.
- (30) Consequently, in accordance with Article 18 of the basic Regulation, the findings in relation to the likelihood of continuation or recurrence of dumping were based on facts available, in particular on the information provided in the review request and the statistics based on the data reported to the Commission by the Member States in accordance with Article 14(6) of the basic Regulation ('the Article 14(6) database'). In addition, the Commission used other sources of publicly available information such as the World Bank, the Global Trade Atlas ('GTA'), the Orbis Bureau van Dijk ('Orbis') database and statistics obtained from the Turkish Statistical Institute database ('TUIK') and the Turkish Energy Market Regulatory Authority ('EMRA').

3.2. Dumping

3.2.1. Procedure for the determination of the normal value under Article 2(6a) of the basic Regulation

- (31) Given the sufficient evidence available at the initiation of the investigation tending to show, with regard to China, the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation, the Commission initiated the investigation on the basis of Article 2(6a) of the basic Regulation.
- (32) In order to obtain the information deemed necessary for its investigation with regard to the alleged significant distortions, the Commission sent a questionnaire to the GOC. In addition, in point 5.3 of the Notice of Initiation, the Commission invited all interested parties to make their views known, submit information and provide supporting evidence regarding the application of Article 2(6a) of the basic Regulation within 37 days of the date of publication of the Notice of Initiation in the Official Journal of the European Union. As mentioned in recital (17), no questionnaire reply was received from the GOC and no submission on the application of Article 2(6a) of the basic Regulation was received within the deadline. Subsequently, on 15 July 2025, the Commission informed the GOC that it would use facts available within the meaning of Article 18 of the basic Regulation for the determination of the existence of the significant distortions in China.
- (33) In point 5.3.2 of the Notice of Initiation, the Commission also specified that, in view of the evidence available, it may need to select an appropriate representative country pursuant to Article 2(6a)(a) of the basic Regulation for the purpose of determining the normal value based on undistorted prices or benchmarks. The Commission further stated that it would examine other possibly appropriate countries in accordance with the criteria set out in first indent of Article 2(6a) of the Basic regulation.
- (34) On 11 September 2025, the Commission informed interested parties by a note on the relevant sources it intended to use for the determination of the normal value. In that note, the Commission provided a list of all factors of production such as raw materials, labour and energy used in the production of steel road wheels ('the FOP Note'). In addition, based on the criteria guiding the choice of undistorted prices or benchmarks, the Commission identified Türkiye as an appropriate representative country. The Commission received no comments on the FOP Note.

3.2.2. Normal value

- (35) According to Article 2(1) of the basic Regulation, *'the normal value shall normally be based on the prices paid or payable, in the ordinary course of trade, by independent customers in the exporting country'*.
- (36) However, according to Article 2(6a)(a) of the basic Regulation, *'in case it is determined [...] that it is not appropriate to use domestic prices and costs in the exporting country due to the existence in that country of significant distortions within the meaning of point (b), the normal value shall be constructed exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks', and 'shall include an undistorted and reasonable amount of administrative, selling and general costs and for profits' ('administrative, selling and general costs' is referred to hereinafter as 'SG&A costs').*
- (37) As further explained below, the Commission concluded in the present investigation that, based on the evidence available, and in view of the lack of cooperation of the GOC and the exporting producers, the application of Article 2(6a) of the basic Regulation was appropriate.

3.2.3. Existence of significant distortions

- (38) In recent investigations concerning the steel sector in the PRC ⁽⁸⁾, the Commission found that significant distortions in the sense of Article 2(6a)(b) of the basic Regulation were present.
- (39) In those investigations, the Commission found that there is substantial government intervention in the PRC resulting in a distortion of the effective allocation of resources in line with market principles ⁽⁹⁾. In particular, the Commission concluded that in the steel sector, which is the main raw material to produce the product under investigation, not only does a substantial degree of ownership by the GOC persist in the sense of Article 2(6a)(b), first indent of the basic Regulation ⁽¹⁰⁾, but the GOC is also in a position to interfere with prices and costs through

⁽⁸⁾ Commission Implementing Regulation (EU) 2024/1666 of 6 June 2024 imposing a definitive anti-dumping duty on imports of steel ropes and cables originating in the People's Republic of China as extended to imports of steel ropes and cables consigned from Morocco and the Republic of Korea, whether declared as originating in these countries or not, following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L, 2024/1666, 7.6.2024, ELI: http://data.europa.eu/eli/reg_impl/2024/1666/oj); Commission Implementing Regulation (EU) 2023/1444 of 11 July 2023 imposing a provisional anti-dumping duty on imports of steel bulb flats originating in the People's Republic of China and Türkiye (OJ L 177, 12.7.2023, p. 63, ELI: http://data.europa.eu/eli/reg_impl/2023/1444/oj); Commission Implementing Regulation (EU) 2023/100 of 11 January 2023 imposing a provisional anti-dumping duty on imports of stainless steel refillable kegs originating in the People's Republic of China (OJ L 10, 12.1.2023, p. 36, ELI: http://data.europa.eu/eli/reg_impl/2023/100/oj); 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, ELI: http://data.europa.eu/eli/reg_impl/2022/2068/oj); Commission Implementing Regulation (EU) 2022/191 of 16 February 2022 imposing a definitive anti-dumping duty on imports of certain iron or steel fasteners originating in the People's Republic of China (OJ L 36, 17.2.2022, p. 1, ELI: http://data.europa.eu/eli/reg_impl/2022/191/oj).

⁽⁹⁾ See Implementing Regulation (EU) 2024/1666, recital (76); Implementing Regulation (EU) 2023/1444, recital (66); Implementing Regulation (EU) 2023/100, recital (58); Implementing Regulation (EU) 2022/2068, recital (80); Implementing Regulation (EU) 2022/191, recital (208).

⁽¹⁰⁾ See Implementing Regulation (EU) 2024/1666, recital (60); Implementing Regulation (EU) 2023/1444, recital (45); Implementing Regulation (EU) 2023/100, recital (38); Implementing Regulation (EU) 2022/2068, recital (64); Implementing Regulation (EU) 2022/191, recital (192).

State presence in firms in the sense of Article 2(6a)(b), second indent of the basic Regulation ⁽¹¹⁾. The Commission further found that the State's presence and intervention in the financial markets, as well as in the provision of raw materials and inputs have an additional distorting effect on the market. Indeed, overall, the system of planning in the PRC results in resources being concentrated in sectors designated as strategic or otherwise politically important by the GOC, rather than being allocated in line with market forces ⁽¹²⁾. Moreover, the Commission concluded that the Chinese bankruptcy and property laws do not work properly in the sense of Article 2(6a)(b), fourth indent of the basic Regulation, thus generating distortions in particular when maintaining insolvent firms afloat and when allocating land use rights in the PRC ⁽¹³⁾. In the same vein, the Commission found distortions of wage costs in the steel sector in the sense of Article 2(6a)(b), fifth indent of the basic Regulation ⁽¹⁴⁾, as well as distortions in the financial markets in the sense of Article 2(6a)(b), sixth indent of the basic Regulation, in particular concerning access to capital for corporate actors in the PRC ⁽¹⁵⁾.

- (40) Like in previous investigations concerning the steel sector in the PRC, the Commission examined in the present investigation whether it was appropriate or not to use domestic prices and costs in the PRC, due to the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation. The Commission did so on the basis of the evidence available on the file, including the evidence contained in the complaint, as well as in the Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the Purposes of Trade Defence Investigations ⁽¹⁶⁾ ('Report'), which relies on publicly available sources. That analysis covered the examination of the substantial government interventions in the PRC's economy in general, but also the specific market situation in the relevant sector including the product under investigation. The Commission further supplemented these evidentiary elements with its own research on the various criteria relevant to confirm the existence of significant distortions in the PRC as also found by its previous investigations in this respect.
- (41) The request provided examples of elements pointing to the existence of distortions, as listed in the first to sixth indent of Article 2(6a)(b) of the basic Regulation, and alleged that market conditions, in particular costs and prices, in Chinese steel industry are not driven by market forces of supply and demand, but instead are distorted by State intervention in the economy.

⁽¹¹⁾ See Implementing Regulation (EU) 2024/1666, recitals (66)-(68); Implementing Regulation (EU) 2023/1444, recital (58); Implementing Regulation (EU) 2023/100, recital (40); Implementing Regulation (EU) 2022/2068, recital 66; Implementing Regulation (EU) 2022/191, recitals (193)-(194). While the right to appoint and to remove key management personnel in SOEs by the relevant State authorities, as provided for in the Chinese legislation, can be considered to reflect the corresponding ownership rights, CCP cells in enterprises, state-owned and private alike, represent another important channel through which the State can interfere with business decisions. According to the PRC's company law, a CCP organisation is to be established in every company (with at least three CCP members as specified in the CCP Constitution) and the company shall provide the necessary conditions for the activities of the party organisation. In the past, this requirement appears not to have always been followed or strictly enforced. However, since at least 2016 the CCP has reinforced its claims to control business decisions in SOEs as a matter of political principle. The CCP is also reported to exercise pressure on private companies to put 'patriotism' first and to follow party discipline. In 2017, it was reported that party cells existed in 70 % of some 1,86 million privately owned companies, with growing pressure for the CCP organisations to have a final say over the business decisions within their respective companies. These rules are of general application throughout the Chinese economy, across all sectors, including to the producers of the product under review and the suppliers of their inputs.

⁽¹²⁾ See Implementing Regulation (EU) 2024/1666, recitals (61)-(65); Implementing Regulation (EU) 2023/1444, recital (59); Implementing Regulation (EU) 2023/100, recital (43); Implementing Regulation (EU) 2022/2068, recital (68); Implementing Regulation (EU) 2022/191, recitals (195)-(201).

⁽¹³⁾ See Implementing Regulation (EU) 2023/1444, recital (62); Implementing Regulation (EU) 2023/100, recital (52); Implementing Regulation (EU) 2022/2068, recital (74); Implementing Regulation (EU) 2022/191, recital (202).

⁽¹⁴⁾ See Implementing Regulation (EU) 2024/1666, recital (72); Implementing Regulation (EU) 2023/1444, recital (45); Implementing Regulation (EU) 2023/100, recital (33); Implementing Regulation (EU) 2022/2068, recital (75); Implementing Regulation (EU) 2022/191, recital (203).

⁽¹⁵⁾ See Implementing Regulation (EU) 2024/1666, recital (73); Implementing Regulation (EU) 2023/1444, recital (64); Implementing Regulation (EU) 2023/100, recital (54); Implementing Regulation (EU) 2022/2068, recital (76); Implementing Regulation (EU) 2022/191, recital (204).

⁽¹⁶⁾ Commission staff working document SWD (2024)91, 10 April 2024, available at: [https://ec.europa.eu/transparency/documents-register/detail?ref=SWD\(2024\)91&lang=en](https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2024)91&lang=en).

(42) The request provided references to the relevant parts of the Report ⁽¹⁷⁾, and pointed out in particular that:

- State presence in firms allows the State to interfere with respect to prices and costs. The Chinese economic system is based on the concept of a socialist market economy, the core principle of which is the socialist public ownership of the means of production, namely, ownership by the whole people and collective ownership by the working people. The socialist market economy is developed under the leadership of the Chinese Communist Party ('CCP') and the structures of the State and those of the CCP are intertwined at every level. The Chinese State also engages in an interventionist economic policy in pursuance of goals that coincide with the political agenda set by the CCP rather than reflecting the prevailing economic conditions in a free market. Specifically in the steel sector, which is the source of the main raw material used to produce the product under investigation, a substantial degree of ownership by the GOC persists and the GOC is also in a position to interfere with prices and costs through State presence.
- *The steel market, including the product under investigation, is served to a significant extent by enterprises which operate under the ownership, control or policy supervision or guidance of the GOC.* The request stated that the GOC and the CCP actively direct economic policy through State-owned enterprises, requiring party representation on executive bodies and influencing corporate structures. SOEs receive significant advantages, including protection from competition and preferential access to key inputs such as finance ⁽¹⁸⁾. The request alleged that the presence of CCP cells in SOEs and private enterprises constitutes a channel for State interference. Chinese law allows state authorities to appoint and remove key management personnel in SOEs, and company law mandates the establishment of a CCP organisation in every company, requiring at least three-Party members and the provision of necessary conditions to support Party activities ⁽¹⁹⁾.
- *Public policies or measures discriminate in favour of domestic suppliers or otherwise influence free market forces.* Overall, in the PRC the system of planning results in resources being driven to sectors designated as strategic or politically important to the GOC, rather than being allocated by market forces. The request reiterated that the steel industry benefits from the GOC's consistent intervention, starting at the sector's roots (i.e. the steelmaking raw materials market), resulting in a sector permeated by unfair and artificial advantages originating from the distorted mechanisms of price formation. In addition, the request noted that as domestic demand weakened, significant excess capacity emerged in the steel and related industries. The request also stated that the Government further distorted the market through export restrictions and taxes on key steel inputs such as coke, coking coal, and metal scrap ⁽²⁰⁾.
- *There is a lack and discriminatory application or inadequate enforcement of bankruptcy, corporate or property laws,* thereby generating distortions when keeping insolvent firms afloat and when allocating land use rights in the PRC. The request recalled that China's bankruptcy system is characterised by systematic under-enforcement, as deficiencies in insolvency proceedings discourage filings and allow state influence to affect case outcomes. In addition, shortcomings persist regarding land ownership and land-use rights, with market-based allocation rules frequently disregarded and land decisions often driven by political or economic planning objectives ⁽²¹⁾.
- *Wage costs are distorted.* The request pointed out that China has not ratified several key ILO Conventions, particularly those concerning freedom of association and collective bargaining. As a result, market-based wage formation is hindered by restrictions on workers' rights to organise collectively. The sole trade union permitted under Chinese law lacks independence from the State. Furthermore, the household registration system restricts access to social security and other benefits, placing non-local workers in vulnerable employment positions and limiting labour mobility ⁽²²⁾.

⁽¹⁷⁾ See page 11 of the request (open version).

⁽¹⁸⁾ See page 11 of the request (open version).

⁽¹⁹⁾ See page 12 of the request (open version).

⁽²⁰⁾ See page 12 of the request (open version).

⁽²¹⁾ See pages 12-13 of the request (open version).

⁽²²⁾ See page 13 of the request (open version).

- *Access to finance for corporate actors is affected by significant distortions resulting from the continuing pervasive role of the State in the capital markets.* The request submitted that China's financial system is dominated by State-owned banks legally required to align their decision-making with State policy, with senior executives appointed by the CCP. In addition, bond and credit ratings are frequently distorted by government influence, favouring SOEs, politically connected private firms, and companies operating in strategically important sectors ⁽²³⁾.
- (43) In conclusion, the request concluded that the systemic distortions present in the People's Republic of China affect the entire steel value chain, including steel road wheels. These distortions extend across all key production factors – such as raw materials, energy, land, financing, and labour. As government interventions are pervasive throughout the country, the entire Chinese steel sector is equally subject to significant non-market distortions.
- (44) In the Chinese steel sector, a substantial degree of ownership by the GOC persists. Many of the largest steel producers are owned by the State. Examples of SOEs active in the steel sector include: the Ansteel Group ⁽²⁴⁾ and the Baowu Steel Group ⁽²⁵⁾, which are both SOEs under the central State-owned Assets Supervision and Administration Commission of the State Council ('SASAC'); the Baotou Steel Group, an SOE owned by the Inner Mongolian Government ⁽²⁶⁾; as well as the Shougang Group ⁽²⁷⁾, an SOE wholly owned by the Beijing State-Owned Asset Management Ltd ⁽²⁸⁾.
- (45) Furthermore, the latest Chinese policy documents concerning the steel sector confirm the continued importance which the GOC attributes to the sector, including the intention to intervene in the sector to shape it in line with government policies. This is exemplified by the Ministry of Industry and Information Technology ('MIIT') Guiding Opinion on Fostering a High-Quality Development of the Steel Industry, which calls for further consolidation of the industrial foundation and significant improvement in the modernisation level of the industrial chain ⁽²⁹⁾, including the supply of special steel, an input used to produce the product under investigation. Specifically, this Guiding Opinion requires to '*[p]romote mergers and reorganizations of enterprises. Encourage leading enterprises in the industry to implement mergers and reorganizations and create a number of world-class super-large steel enterprise groups. Relying on the industry's dominant enterprises, cultivate 1 to 2 specialized leading enterprises in the fields of stainless steel, special steel, (...).*' Further, it explicitly requires to '*[S]upport steel companies to target the upgrading of downstream industries and the development direction of strategic emerging industries, focus on the development of small batches and multiple varieties of key steels such as high-quality special steels, special alloy steels for high-end equipment, and steel for core basic parts*' ⁽³⁰⁾.
- (46) Another example of the GOC's intention to intervene in the steel sector can be found in the 14th Five-Year Plan on Developing the Raw Material Industry ('14th FYP') according to which the sector will '*adhere to the combination of market leadership and government promotion*' and will '*cultivate a group of leading companies with ecological leadership and core competitiveness*' ⁽³¹⁾.
- (47) Additionally, the MIIT 2023 Work Plan on the Stable Growth of the Steel Industry ⁽³²⁾ sets the following objectives: '*In 2023, [...] the investment in fixed assets in the entire industry shall maintain a steady growth, and the economic benefits shall be significantly improved; the industry's R&D investment shall eventually reach 1,5 %; the industry's added value growth shall reach about 3,5 %; in 2024, the industry development environment and industry structure shall be further optimized, the move towards high-end, intelligent, and green products shall continue, and the industry added value growth shall exceed 4 %*',

⁽²³⁾ See page 13 of the request (open version).

⁽²⁴⁾ See: <http://wap.sasac.gov.cn/n2588045/n27271785/n27271792/c14159097/content.html> (accessed on 20 October 2025).

⁽²⁵⁾ See: <http://wap.sasac.gov.cn/n2588045/n27271785/n27271792/c14159097/content.html> (accessed on 20 October 2025).

⁽²⁶⁾ See: <https://www.baoganggf.com/gsjj> (accessed on 20 October 2025).

⁽²⁷⁾ See: <https://www.shougang.com.cn/en/ehhtml/CompanyProfile.html> (accessed on 20 October 2025).

⁽²⁸⁾ See: <https://www.shougang.com.cn/sgweb/html/index.html> (accessed on 17 March 2025).

⁽²⁹⁾ See: https://www.gov.cn/zhengce/zhengceku/2022-02/08/content_5672513.htm (accessed on 20 October 2025).

⁽³⁰⁾ Ibid.

⁽³¹⁾ See Section IV, Subsection 3 of the 14th FYP on Developing the Raw Materials Industry.

⁽³²⁾ See: https://www.miit.gov.cn/zwgk/zcwj/wjfb/tz/art/2023/art_2a4233d696984ab59610e7498e333920.html (accessed on 20 October 2025).

and foresees government mandated corporate consolidation of the steel sector: ‘[e]ncourage industry-leading enterprises to implement mergers and acquisitions, build world-class super-large iron and steel enterprise groups, and foster the optimal layout of national iron and steel production capacity. Support specialized enterprises with leading power in particular steel market segments to further integrate resources and create a steel industry ecosystem. Encourage iron and steel enterprises to carry out cross-regional [...] mergers and reorganizations [...]. Consider giving greater policy support for capacity replacement to iron and steel enterprises that have completed substantive mergers and reorganizations.’

- (48) Similar examples of the GOC’s intention to supervise and guide the developments of the steel sector can be seen at the provincial level, such as in Hebei where the provincial government released the Three-Year Action Plan on Cluster Development in the Steel Industry Chain in 2020. This plan requires to ‘steadily implement the group development of organizations, accelerate the reform of mixed ownership of state-owned enterprises, focus on promoting the cross-regional merger and reorganization of private iron and steel enterprises, and strive to establish 1-2 world-class large groups, 3-5 large groups with domestic influence’⁽³³⁾. Moreover, Hebei’s plan in the steel sector states: ‘Adhere to structural adjustment and highlight product diversification. Unswervingly promote the structural adjustment and layout optimization of the iron and steel industry, promote the consolidation, reorganization, transformation and upgrading of enterprises, and comprehensively promote the development of the iron and steel industry in the direction of large-scale enterprises, modernization of technical equipment, diversification of production processes, and diversification of downstream products’⁽³⁴⁾.
- (49) More specifically as regards the inputs used to produce the product under investigation, Hebei’s Plan requires to ‘[a]ccelerate the development and application of high-end and key new steel materials, increase the proportion of high-quality and special steel varieties, strengthen the quality stability of large-scale and wide-ranging advantageous products, and create a “pyramid” product structure. By the end of 2020, the proportion of ordinary low-alloy steel and alloy steel will be increased to 20 %, and by the end of 2022, it will reach about 25 %, providing support and guarantee for the upgrading of downstream industries’⁽³⁵⁾.
- (50) Likewise, the Henan Implementation Plan for the Transformation and Upgrade of the Steel Industry during the 14th FYP requires to ‘focus on national strategic needs, guide enterprises to promote the optimization and upgrading of product structure, develop high-quality special steel, high-performance marine engineering steel, special alloy steel for high-end equipment, core basic parts steel and other “special, fine, high” key varieties, and enhance the added value and competitiveness of steel products’⁽³⁶⁾.
- (51) Similar industrial policy objectives can also be found in the planning documents of other provinces, such as Jiangsu⁽³⁷⁾, Shandong⁽³⁸⁾, Shanxi⁽³⁹⁾ or Zhejiang⁽⁴⁰⁾.
- (52) Although the producers of steel road wheels in China are predominantly privately owned companies, the state control and interventions are not excluded from the general framework described above. The rules described above are of general application throughout the Chinese economy, across all sectors, including to the producers of steel road wheels and the suppliers of their inputs. Additionally, given that the product under investigation represents a sub-sector of the steel sector, the information available with respect to steel producers is relevant also to the product under investigation.

⁽³³⁾ See the Hebei Province’s Three Year Action Plan on Cluster Development in the Steel Industry Chain, Chapter II, Section 3.8; available at: <https://huanbao.bjx.com.cn/news/20200717/1089773.shtml> (accessed on 20 October 2025).

⁽³⁴⁾ Ibid, Chapter I, Section 2.

⁽³⁵⁾ Ibid, Chapter I, Section 3.2.

⁽³⁶⁾ See the Henan Implementation Plan for the Transformation and Upgrade of the Steel Industry during the 14th FYP, Chapter II, Section 3; available at: <https://huanbao.bjx.com.cn/news/20211210/1192881.shtml> (accessed on 20 October 2025).

⁽³⁷⁾ Jiangsu Province’s Work Plan Steel Sector Transformation and Upgrade and Layout Optimisation 2019-2025; available at: http://www.jiangsu.gov.cn/art/2019/5/5/art_46144_8322422.html (accessed on 20 October 2025).

⁽³⁸⁾ Shandong Province’s 14 FYP on the Steel Industry Development; available at: https://m.mysteel.com/21/1119/11/DFD9D26D73D90F7D_abc.html (accessed on 20 October 2025).

⁽³⁹⁾ Shanxi Province’s 2020 Steel Industry Transformation and Upgrade Action Plan; available at: https://m.mysteel.com/20/0715/11/7BF7729C99CEB3EA_abc.html (accessed on 20 October 2025).

⁽⁴⁰⁾ Zhejiang Province’s Action Plan to Foster a High Quality Development of the Steel Industry: ‘Foster enterprise mergers and reorganisation, accelerate the concentration process, reduce the number of steel smelting enterprises to approximately 10 enterprises’; available at: https://www.jiaxing.gov.cn/art/2022/4/20/art_1228922756_59529426.html (accessed on 20 October 2025).

- (53) For instance, the Chairman of the Board of Directors and the General Manager of Baoshan Iron and Steel Ltd., a steel producer whose controlling shareholder is the Baowu Steel Group, also serve as the company's Party Committee Secretary and Deputy Secretary respectively ⁽⁴¹⁾. Likewise, the Chairman of the Board of Directors of Wuhan Iron and Steel Group, also controlled by the Baowu Steel Group, serves as the Party Committee Secretary ⁽⁴²⁾. Moreover, 'Wuhan Iron and Steel Group held the tenth centralized study and discussion of the Party Committee Theory Study Group in 2022 to convey and study the spirit of the Central Economic Work Conference and promote the implementation of the decisions and arrangements of the 20th National Congress of the Party and the spirit of the Central Economic Work Conference in Wuhan Iron and Steel Group. [The] General Representative of China Baowu Wuhan Headquarters, Secretary of the Party Committee and Chairman of Wuhan Iron and Steel Group, presided over the meeting and put forward requirements for implementing the requirements of the Party Central Committee, the Hubei Provincial Party Committee and the China Baowu Party Committee, and further implementing the spirit of the Central Economic Work Conference' ⁽⁴³⁾.
- (54) Furthermore, the Chairman of the Board of Directors of the Baotou Steel Union, belonging to the Baotou Steel Group, serves also as the company's Party Secretary. Similarly, the Executive Manager of Baotou Steel Union as well as the Chairman of the company's trade union are both Deputy Party Secretaries ⁽⁴⁴⁾. Finally, within the Shougang Group, the Chairman of the Board of Directors serves as the Party Committee Secretary, while the Executive Manager is the Deputy Secretary of the company's Party Committee ⁽⁴⁵⁾.
- (55) The China Construction Machinery Association ('CCMA') states in Article 3 of its Articles of Association that the organisation 'adheres to the overall leadership of the Communist Party of China and, in accordance with the provisions of the Constitution of the Communist Party of China, establishes organizations of the Communist Party of China to carry out party activities and provide necessary conditions for the activities of party organizations. The entity in charge of registration and management of this association is the Ministry of Civil Affairs of the People's Republic of China, and the entity in charge of Party building is the Party Committee of SASAC' and that it 'accepts business guidance and supervision from entities in charge of registration and management, entities in charge of Party building, and industry management departments' ⁽⁴⁶⁾. Article. 36 of the CCMA Articles of Association provides that the persons in charge of the association needs to '[a]dhere to the leadership of the Communist Party of China, support socialism with Chinese characteristics, resolutely implement the Party's line, principles, and policies, and have good political qualities' ⁽⁴⁷⁾.
- (56) Further, policies discriminating in favour of domestic producers or otherwise influencing the market in the sense of Article 2(6a)(b), third indent of the basic Regulation are in place in the Chinese steel sector, and these are generally applicable to the product under investigation given that the steel road wheels industry is a sub-sector of the steel sector. Furthermore, as established in the fasteners investigation, the fasteners industry is listed in the Announcement of the Ministry of Industry and Information Technology on the issuance of the Guiding Catalogue for the Promotion and Application of the First (Set) Major Technical Equipment (2019 Edition) ⁽⁴⁸⁾ and also in the Industrial Structure Adjustment Guidance Catalogue (2019 NDRC) ⁽⁴⁹⁾ as an encouraged industry.

⁽⁴¹⁾ See Baoshan Iron and Steel Ltd.'s 2023 Annual Report, page 41 https://static.sse.com.cn/disclosure/listedinfo/announcement/c/new/2024-04-27/600019_20240427_B5D4.pdf (accessed on 20 October 2025).

⁽⁴²⁾ See: <https://www.wuganggroup.cn/people/3143> (accessed on 20 October 2025).

⁽⁴³⁾ See: https://mp.weixin.qq.com/s?__biz=MjM5Njg2NjIwMQ==&mid=2654952836&idx=1&sn=505b807e2826f1e3e6f08ba15b727722&chksm=bd294c728a5ec5641240246649545fda2b2065c015f861fa599249b2165962ca848a25a1faa2&token=1369557425&lang=zh_CN#rd (accessed on 20 October 2025).

⁽⁴⁴⁾ See: <https://www.baoganggf.com/ggry> (accessed on 20 October 2025).

⁽⁴⁵⁾ See: <https://www.shougang.com.cn/sgweb/html/gslid.html> (accessed on 20 October 2025).

⁽⁴⁶⁾ See: <http://www.cncma.org/article/472> (accessed on 20 October 2025).

⁽⁴⁷⁾ Ibid.

⁽⁴⁸⁾ See https://www.miit.gov.cn/cms_files/filemanager/oldfile/miit/n5084605/c7592204/part/752209.pdf, page 55 listing strength fasteners.

⁽⁴⁹⁾ See <http://www.gov.cn/xinwen/2019-11/06/5449193/files/26c9d25f713f4ed5b8dc51ae40ef37af.pdf>, page 29.

- (57) Next to the above-mentioned documents on the central level, there are a number of guidance documents on the local, provincial or municipal level, which guide and support the development of the fasteners industry. For example, the 2019 Incentive policies for fastener industry in Haiyan district, envisages that: 'Haiyan is the "Hometown of Fasteners", and the fastener industry is also one of the important traditional industries in Haiyan. [...] In order to [...] boost the innovation and development of the fastener industry in our county, our county recently issued the 'Three-year Special Action Policy for the Digitalization and Smart Transformation of the Fastener Industry in Haiyan County'. The scope of the related special funds covers companies implementing digital and smart transformation in the fastener industry' ⁽⁵⁰⁾.
- (58) The steel industry is consistently considered as a key industry by the GOC ⁽⁵¹⁾. This is confirmed in the numerous plans, directives and other documents focused on the sector, which are issued at national, regional and municipal level. Under the 14th FYP, the GOC earmarked the steel industry for transformation and upgrade, as well as optimisation and structural adjustment ⁽⁵²⁾. Similarly, the 14th FYP on Developing the Raw Materials Industry, applicable also to the steel industry, lists the sector as the '*bedrock of the real economy*' and '*a key field that shapes China's international competitive edge*' and sets a number of objectives and working methods which would drive the development of the sector in the time period 2021-2025, such as technological upgrade, improving the structure of the sector (not least by means of further corporate concentrations) or digital transformation ⁽⁵³⁾.
- (59) Moreover, the abovementioned Work Plan on the Stable Growth of the Steel Industry (see recital (47)) demonstrates how the focus of the Chinese authorities on the sector is put into the wider context of the GOC steering the Chinese economy: '*[s]upport steel companies to closely follow the needs of new infrastructure, new urbanization, rural revitalization, and emerging industries, dock with major engineering projects related to the "14th Five-Year Plan" in various regions, and make every effort to ensure steel supply. Establish and deepen upstream and downstream cooperation mechanisms between steel and key steel-using sectors such as shipbuilding, transportation, construction, energy, automobiles, home appliances, agricultural machinery, and heavy equipment, carry out production-demand docking activities, and actively expand steel application fields*' ⁽⁵⁴⁾.
- (60) In sum, the GOC has measures in place to induce operators to comply with the public policy objectives of supporting encouraged industries, including the production of the main raw materials used to manufacture the product under investigation. Such measures impede market forces from operating freely.
- (61) The present investigation has not revealed any evidence that the discriminatory application or inadequate enforcement of bankruptcy and property laws in the steel sector, according to Article 2(6a)(b), fourth indent of the basic Regulation would not affect the manufacturers of the product under investigation.
- (62) The product under investigation is also affected by the distortions of wage costs in the sense of Article 2(6a)(b), fifth indent of the basic Regulation, as also referred to above in recitals (42). Those distortions affect the sector both directly (when producing the product under investigation or the main inputs), as well as indirectly (when having access to inputs from companies subject to the same labour system in the PRC) ⁽⁵⁵⁾.

⁽⁵⁰⁾ http://www.haiyan.gov.cn/art/2019/12/6/art_1512856_40973400.html.

⁽⁵¹⁾ Report, Part III, Chapter 14, p. 346 ff.

⁽⁵²⁾ See the People's Republic of China 14th Five-Year Plan for National Economic and Social Development and Long-Range Objectives for 2035, Part III, Article VIII, available at: <https://cset.georgetown.edu/publication/china-14th-five-year-plan/> (accessed on 20 October 2025).

⁽⁵³⁾ See in particular Sections I and II of the 14th FYP on Developing the Raw Materials Industry.

⁽⁵⁴⁾ See: https://www.miit.gov.cn/zwgk/zcwj/wjfb/tz/art/2023/art_2a4233d696984ab59610e7498e333920.html (accessed on 20 October 2025).

⁽⁵⁵⁾ See Implementing Regulation (EU) 2023/1444, recital 63; Implementing Regulation (EU) 2023/100, recital (33).

- (63) Moreover, no evidence was submitted in the present investigation demonstrating that the sector of the product under investigation is not affected by the government intervention in the financial system in the sense of Article 2(6a)(b), sixth indent of the basic Regulation, as also referred to above in recital (42). The abovementioned (see recital (47)) Work Plan on the Stable Growth exemplifies also this type of government intervention very well: *'Encourage financial institutions to actively provide financial services to steel companies that implement mergers and reorganizations, layout adjustments, transformation and upgrading, in accordance with the principles of risk control and business sustainability.'* Therefore, the substantial government intervention in the financial system leads to the market conditions being severely affected at all levels.
- (64) Finally, the Commission recalls that in order to produce the product under investigation, a number of inputs is needed. When the producers of the product under investigation purchase/contract these inputs, the prices they pay (and which are recorded as their costs) are clearly exposed to the same systemic distortions mentioned before. For instance, suppliers of inputs employ labour that is subject to the distortions. They may borrow money that is subject to the distortions on the financial sector/capital allocation. In addition, they are subject to the planning system that applies across all levels of government and sectors.
- (65) As a consequence, not only the domestic sales prices of the product under investigation are not appropriate for use within the meaning of Article 2(6a)(a) of the basic Regulation, but all the input costs (including raw materials, energy, land, financing, labour, etc.) are also affected because their price formation is affected by substantial government intervention, as described in Parts I and II of the Report. Indeed, the government interventions described in relation to the allocation of capital, land, labour, energy and raw materials are present throughout the PRC. This means, for instance, that an input that in itself was produced in the PRC by combining a range of factors of production is exposed to significant distortions. The same applies for the input to the input and so forth.
- (66) In sum, the evidence available showed that prices or costs of the product under investigation, including the costs of raw materials, energy and labour, are not the result of free market forces because they are affected by substantial government intervention within the meaning of Article 2(6a)(b) of the basic Regulation, as shown by the actual or potential impact of one or more of the relevant elements listed therein. On that basis, the Commission concluded that it is not appropriate to use domestic prices and costs to establish normal value in this case.
- (67) The GOC did not comment or provide evidence supporting or rebutting the existing evidence on the case file, including the Report and the additional evidence provided by the complainant, on the existence of significant distortions and/or appropriateness of the application of Article 2(6a) of the basic Regulation in the case at hand.
- (68) The Commission did not receive any comments from interested parties in relation to the existence of significant distortions in the PRC.
- (69) In view of the above, the Commission proceeded to construct the normal value exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks, that is, in this case, on the basis of corresponding costs of production and sale in an appropriate representative country, in accordance with Article 2(6a)(a) of the basic Regulation, as described in the following section.

3.2.4. Representative country

3.2.4.1. General remarks

(70) The choice of the representative country was based on the following criteria pursuant to Article 2(6a) of the basic Regulation:

- a level of economic development similar to China. For this purpose, the Commission used countries with a gross national income per capita similar to China on the basis of the database of the World Bank,
- production of the product under review in that country ⁽⁵⁶⁾,
- availability of relevant data in the representative country,
- where there is more than one possible representative country, preference should be given, where appropriate, to the country with an adequate level of social and environmental protection

(71) As explained in recital (34), the Commission issued on 11 September 2025 a Note for the file on the sources for the determination of the normal value: the FOP Note. This note described, inter alia, the facts and evidence underlying the above criteria. In the FOP Note, the Commission informed interested parties of its intention to consider Türkiye as an appropriate representative country in the present case if the existence of significant distortions pursuant to Article 2(6a) of the basic Regulation would be confirmed.

3.2.4.2. A level of economic development similar to China

(72) In the FOP Note, the Commission identified Türkiye as a country with a similar level of economic development as China, i.e. it is classified by the World Bank as 'upper-middle income' country on a gross national income basis.

3.2.4.3. Production of the product under review

(73) Furthermore, Türkiye was identified as a country where the product under review is being produced in significant volumes on a both regionally and globally competitive market, and through a similar production process.

3.2.4.4. Availability of relevant public data in the representative country

(74) In the FOP Note, the Commission carefully analysed all relevant data available in the file for the factors of production in Türkiye and noted the following:

- Türkiye imported the raw material required for the production of the product under review in relevant quantities and in absence of market distortions or restrictions.
- There are producers of the product under review currently active in Türkiye; financial data were publicly available for two of them, which were showing a positive level of profitability.

⁽⁵⁶⁾ If there is no production of the product under review in any country with a similar level of development, production of a product in the same general category and/or sector of the product under review may be considered.

- The last available statistics issued by the EMRA relate to electricity prices for industrial consumers refers to the period under review.
- The statistics issued by the TUIK related to monthly wages, including social contributions, of the manufacturing sector of vehicle spare parts, date to 2022; no more recent data were publicly available.

(75) In light of the above considerations, the Commission informed the interested parties through the FOP Note that it intended to use Türkiye as an appropriate representative country, in accordance with Article 2(6a)(a), first indent of the basic Regulation in order to source undistorted prices or benchmarks for the calculation of the normal value. Interested parties were invited to comment on the appropriateness of Türkiye as a representative country. No comments were received.

3.2.4.5. Level of social and environmental protection

(76) Having established that Türkiye was an appropriate representative country, based on all the above elements, there was no need to carry out an assessment of the level of social and environmental protection in accordance with the last sentence of Article 2(6a)(a) first indent of the basic Regulation.

3.2.4.6. Conclusion

(77) In view of the above analysis, the Commission concluded that Türkiye meets the criteria laid down in Article 2(6a)(a), first indent of the basic Regulation in order to be considered as an appropriate representative country.

3.2.5. Sources used to establish undistorted costs

(78) In the FOP Note, the Commission listed the factors of production such as materials, energy and labour used in the production of the product under review by the exporting producers and invited the interested parties to comment and propose readily available information on undistorted values for each of the factors of production mentioned in that note.

(79) The Commission stated that, in order to construct the normal value in accordance with Article 2(6a)(a) of the basic Regulation, it would use GTA data to establish the undistorted cost of most of the factors of production, notably the raw materials. In addition, the Commission stated that it would use the of TUIK and EMRA for establishing undistorted costs of labour ⁽⁷⁷⁾ and energy ⁽⁷⁸⁾ respectively.

(80) Finally, the Commission stated that to establish SG&A costs and profit, it would use Orbis and the financial data from two Turkish producers of the product concerned, as set out in recital (90) below.

3.2.6. Undistorted costs and benchmarks

3.2.6.1. Factors of production

(81) In the absence of cooperation by the Chinese exporting producers, the Commission relied on the information provided by the applicants to establish the factors of production used in the production of steel road wheels.

⁽⁷⁷⁾ Turkish Statistical Institute – TUIK.

⁽⁷⁸⁾ Energy Market Regulatory Authority – EMRA.

- (82) Considering all the information contained in the request, the following factors of production and their sources have been identified to determine the normal value in accordance with Article 2(6a)(a) of the basic Regulation:

Table 1

Factors of production of steel road wheels

Factor of Production	CN Code	Undistorted value	Unit of measurement	Source of information
Raw materials				
Steel	7208 10, 7208 25, 7208 26, 7208 27, 7208 36, 7208 37, 7208 38, 7208 39, 7208 51, 7208 52, 7208 53, 7208 54, 7211 13, 7211 14, 7211 19, 7216 50, 7219 23, 7225 30, 7226 91, 7228 70	5,33 CNY	kg	GTA
Labour				
Labour	N/A	43,39 CNY/hour	hour	TUIK
Energy				
Electricity	N/A	0,87 CNY/kWh	KWh	EMRA

3.2.6.2. Raw materials

- (83) To establish the undistorted price of raw materials as delivered at the gate of a representative country producer, the Commission used as a basis the weighted average import price to Türkiye as reported in the GTA. An import price in Türkiye was determined as a weighted average of unit prices of imports from all third countries excluding China and countries which are not members of the WTO, listed in Annex 1 of Regulation (EU) 2015/755 of the European Parliament and the Council ⁽⁵⁹⁾.
- (84) The Commission decided to exclude imports from China into Türkiye as it concluded in Section 3.2.3 that it is not appropriate to use domestic prices and costs in China due to the existence of significant distortions in accordance with Article 2(6a)(b) of the basic Regulation. Given that there is no evidence showing that the same distortions do not equally affect products intended for export, the Commission considered that the same distortions affected export prices. After excluding imports from China into Türkiye, the volume of imports from other third countries remained representative.

⁽⁵⁹⁾ Regulation (EU) 2015/755 of the European Parliament and of the Council of 29 April 2015 on common rules for imports from certain third countries (OJ L 123, 19.5.2015, p. 33, ELI: <http://data.europa.eu/eli/reg/2015/755/oj>). Article 2(7) of the basic Regulation considers that domestic prices in those countries cannot be used for the purpose of determining normal value.

- (85) Normally, domestic transport prices should also be added to these import prices. However, considering the findings of dumping in recital (96) as well as the nature of this expiry review investigation, which is to determine whether dumping continued during the review investigation period or could reoccur, rather than finding its exact magnitude, the Commission decided that adjustments for domestic transport were unnecessary. Such adjustments would only result in an increase of the normal value and hence a higher dumping margin.

3.2.6.3. Labour

- (86) TUIK publishes detailed information on wages in different economic sectors in Türkiye. The Commission used the latest available statistics of 2022 for average labour cost in the sector of manufacturing of motor vehicles under the NACE code 29 ⁽⁶⁰⁾.

3.2.6.4. Electricity

- (87) The price of electricity for companies (industrial users) in Türkiye is published by EMRA. The Commission used the data on the industrial electricity prices from January to December 2024 in the corresponding consumption band in kWh for the review investigation period) ⁽⁶¹⁾.

3.2.6.5. Manufacturing overhead costs, SG&A, profits

- (88) According to Article 2(6a)(a) of the basic Regulation, 'the constructed normal value shall include an undistorted and reasonable amount for administrative, selling and general costs and for profits'. In addition, a value for manufacturing overhead costs needs to be established to cover costs not included in the factors of production referred to above.
- (89) In order to establish an undistorted value of the manufacturing overheads and given the absence of cooperation from the exporting producers, the Commission used facts available in accordance with Article 18 of the basic Regulation. Therefore, based on the data provided by the applicants, the Commission established the ratio of manufacturing overheads to the total manufacturing and labour costs. This percentage was then applied to the undistorted value of the cost of manufacturing to obtain the undistorted value of manufacturing overheads, depending on the model produced.
- (90) To establish SG&A costs and profit, the Commission used the financial data of the Turkish producers Maxion Inci Jant Sanayi A.S. and Maxion Jantas Jant Sanayi ve Ticaret A.S. for the financial year 2024, as disclosed in the official website of Iochpe-Maxion Group ⁽⁶²⁾.

3.2.7. Calculation of the normal value

- (91) On the basis of the above, the Commission constructed the normal value per product type on an ex-works basis in accordance with Article 2(6a)(a) of the basic Regulation.
- (92) First, the Commission established the undistorted manufacturing costs. In the absence of cooperation by the exporting producers, and in accordance of Article 18 of the basic Regulation, the Commission relied on the information provided by the applicant in the review request on the usage ratio of each input (materials and labour). The consumption ratios provided by the applicant were verified during the verification. The Commission multiplied the consumption ratios by the undistorted costs per unit observed in Türkiye, as described in Section 3.2.6.

⁽⁶⁰⁾ See link in footnote 58. The subheading NACE 29.3 – manufacturing of parts and accessories for motor vehicles is not available in TUIK website.

⁽⁶¹⁾ Insert reference.

⁽⁶²⁾ <https://www.iochpe.com.br/en/financial-information/results-center/>.

- (93) Once the undistorted manufacturing cost was established, the Commission added SG&A and profit as noted in recitals (88) and (89). SG&A costs and profit were determined based on the financial statements of the two companies for the year 2024 as reported in the company's audited accounts, as reported in recital (89). The Commission added the following items to the undistorted costs of manufacturing:
- SG&A costs, which accounted for 7,3 % of the consolidated Costs of Goods Sold ('COGS') of the two companies, and
 - profits, which amounted to 12,7 % of the COGS as achieved by the two companies, were applied to the total undistorted costs of manufacturing.
- (94) On that basis, the Commission constructed the normal value per product type on an ex-works basis, in accordance with Article 2(6a)(a) of the basic Regulation.

3.2.8. *Export price*

In the absence of cooperation by exporting producers from China, the export price for imports made into the Union during the review investigation period was determined in accordance with Article 18 of the basic Regulation. In this respect, the data in the Article 14(6) database were used, properly adjusted to free on board ('FOB') level by deducting handling and ocean freight based on the evidence provided in the request for review. Considering the finding of dumping in recital (96) as well as the nature of this expiry review investigation, which is focused on finding whether dumping continued during the review investigation period or could reoccur, rather than finding its exact magnitude, the Commission decided that deducting domestic transport was unnecessary as it would only result in a decrease of the export price and consequently a higher dumping margin.

3.2.9. *Comparison and dumping margins*

- (95) The Commission compared the constructed normal value established in accordance with Article 2(6a)(a) of the basic Regulation and the export price as established above.
- (96) On this basis, the difference between the constructed normal value and the export price at ex-works level, expressed as a percentage of the CIF Union frontier price, duty unpaid, was 224 %. It was therefore concluded that dumping continued during the review investigation period.

4. LIKELIHOOD OF CONTINUATION OF DUMPING

- (97) Further to the finding of the existence of dumping during the review investigation period, the Commission investigated, in accordance with Article 11(2) of the basic Regulation, the likelihood of continuation of dumping, should the measures be repealed. In this respect, the Commission analysed the production capacity and spare capacity in China and the attractiveness of the Union market.
- (98) As a consequence of non-cooperation of the GOC and the exporting producers from China, this examination was based on the information available to the Commission, that is information supplied in the request for review and information from other available sources, such as official import statistics and GTA.

4.1. **Production capacity and spare capacity in China**

- (99) The information on file showed that there is general overcapacity of SRW in China for the review investigation period. According to the applicants' market analysis, the production capacity estimated for the 20 known producers of SRW in the PRC encompassed 102 million pieces during the review investigation period, with actual production of more than 38 million pieces.

- (100) As a result, the Chinese spare capacity was estimated to be more than 63 million pieces or over 61 %. This available spare capacity equals two to three times the estimated consumption of SRW in the Union, which stood at around 24 million pieces during the review investigation period.
- (101) The Commission therefore concluded, based on the facts available, that the Chinese exporting producers have significant spare capacity which could be used for exports to the Union and supply the entire Union market at dumped prices if the measures were allowed to lapse.

4.2. **Attractiveness of the Union market**

- (102) The Commission examined the exports of SRW produced in China to its current main export destinations and compared those to the Chinese exports to the Union. In the absence of cooperation, the Commission made use of the statistical data in the GTA database, which provides Chinese export volumes and values of SRW on weight basis.
- (103) The Commission found that the Union market remained one of the two most important Chinese export markets of SRW. Moreover, it found that prices to most other main export markets (Brazil, Mexico and the United Kingdom), were on average 12 % to 80 % below prices to the Union. The relatively high prices and the fact that Chinese SRW producers continue to export relatively high volumes demonstrate the attractiveness of the Union market for Chinese SRW producers.
- (104) Moreover, there are antidumping measures in Chinese SRW in place in India⁽⁶³⁾ and anti-dumping and countervailing measures on Chinese SRW in the USA⁽⁶⁴⁾, two large markets for the automotive industry. These measures are in place since 2018 and 2019, respectively. The Commission considered these barriers to two large markets of the product under review as an additional incentive for Chinese SRW producers to divert their sales into the EU market if the measures would be allowed to expire.

4.3. **Conclusion**

- (105) The investigation showed that Chinese exports continued to enter the Union market at dumped prices during the review investigation period. The Commission also concluded that, absent any measures, Chinese producers would export significant quantities of the product concerned to the Union, in view of the significant spare capacity in China and the attractiveness of the Union market, whereas other important markets have protective measures in place. Thus, the Commission concluded that there was a strong likelihood of continuation of dumping should the measures lapse.

5. **INJURY**

5.1. **Preliminary remarks**

- (106) In recital (196) and recital (277) of Commission Implementing Regulation (EU) 2019/1693⁽⁶⁵⁾ imposing provisional anti-dumping measures against imports of SRW originating in the PRC, the Commission explained that, in the absence of import statistics other than expressed in tonnes, some macro-indicators would necessarily be listed in tonnes, while other indicators could be expressed in pieces as these could be based on data from sampled exporting producers and sampled Union producers. The complainant also submitted its own estimation of import statistics, both in tonnes and in pieces, which no party objected to.

⁽⁶³⁾ <https://info.eepcindia.org/files/1694965929.pdf>.

⁽⁶⁴⁾ https://www.usitc.gov/press_room/news_release/2024/er1017_66025.htm.

⁽⁶⁵⁾ Commission Implementing Regulation (EU) 2019/1693 of 9 October 2019 imposing a provisional anti-dumping duty on imports of steel road wheels originating in the People's Republic of China (OJ L 259, 10.10.2019, p. 15, ELI: http://data.europa.eu/eli/reg_impl/2019/1693/oj).

- (107) Moreover, in recital (88) of the original Regulation, the Commission explained that statistics of SRW are frequently expressed in number of pieces. However, there is no such supplementary unit for SRW specified in the Combined Nomenclature laid down in Annex I to Council Regulation (EEC) No 2658/87⁽⁶⁶⁾. It is therefore necessary to provide not only the weight in kg or tonnes but also the number of pieces for the imports of the product concerned which must both be entered in the declaration for release for free circulation.
- (108) By the amending Regulation, the Commission amended recital (88) and Article 4 of the original Regulation insofar that it is necessary to declare upon importation the number of items imported and not only the weight of the product concerned,. In the Article 14(6) database, imports of the product under review are indeed reported both on a weight and a number of items basis, therefore allowing the Commission to establish imports of the product under review not only by weight but also by number of items. However, in Eurostat statistics, imports of the product under review are still reported on a weight basis only.
- (109) The Commission therefore made available to all parties import statistics of the product under review in both tonnes and items from the Article 14(6) database.

5.2. Definition of the Union industry and Union production

- (110) The like product was manufactured by 11 producers in the Union during the period considered. They constitute the 'Union industry' within the meaning of Article 4(1) of the basic Regulation.
- (111) The total Union production during the review investigation period was established at around 22,6 million pieces. The Commission established the figure based on verified data submitted in the request for review and the sampled Union producers. As indicated in recital (10) three Union producers were selected in the sample collectively representing more than 40 % of the estimated total volume of production of the like product in the Union.

5.3. Union consumption

- (112) The Commission established the Union consumption on the basis of:
- the verified sales volumes of the Union producers as reported by the applicant, which as far as the sampled Union producers are concerned were cross-checked with their individual verified questionnaire replies; and
 - imports of the product under review into the Union as reported in the Article 14(6) database.
- (113) Union consumption developed as follows:

Table 2

Union consumption (thousand pieces)

	2021	2022	2023	RIP
Total Union consumption	28 291	27 191	27 310	23 689
<i>Index</i>	100	96	97	84

Source: Union industry, Article 14(6)database.

⁽⁶⁶⁾ Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 7.9.1987, p. 1, ELI: <http://data.europa.eu/eli/reg/1987/2658/oj>).

- (114) Union consumption for SRW has decreased by 16 % during the period considered, with a particular drop in the consumption during the review investigation period. The decrease is due to lower sales volumes in pieces to the European car manufacturers, which in their turn experienced overall strongly decreasing sales volumes during the review investigation period ⁽⁶⁷⁾.

5.4. Imports from the country concerned

5.4.1. Volume and market share of the imports from the country concerned

- (115) During the period considered, imports into the Union from the PRC and their market share developed as follows:

Table 3

Import volume (thousand pieces) and market share

	2021	2022	2023	RIP
Volume of imports from the PRC	209	129	169	186
<i>Index</i>	100	62	81	89
Market share (%)	0,7	0,5	0,6	0,8
<i>Index</i>	100	64	83	106

Source: Union industry, Article 14(6) database.

- (116) Import volumes from the PRC have been stable during the period considered, at slightly less than 1 % of Union consumption.

5.4.2. Prices of the imports from the PRC

- (117) The average price of imports into the Union from the PRC developed as follows:

Table 4

Import prices (EUR/piece) at CIF

	2021	2022	2023	RIP
PRC	23,29	31,97	19,66	21,74
<i>Index</i>	100	137	84	93

Source: Article 14(6) database.

- (118) Prices per piece has been overall stable during the period considered, starting with an increase by +37 % in 2022 (due to the overall increase in cost of steel during that year), but with the price thereafter strongly reducing during 2023, ending with a price during the review investigation period 7 % below the price in 2021.

⁽⁶⁷⁾ The complainant referred to statistics published by the Association of European car manufacturers ACEA ACEA-Pocket-Guide-2025-2026.pdf, in particular page 19 and page 21 therein showing a clear decrease in production of passenger cars (-6,2 %) and commercial vehicles (-9,5 %) during 2024 as compared with the previous year.

5.4.3. *Price undercutting*

- (119) It is recalled that under the description of the product under review (recitals (23) and (24), there are many different sizes of steel road wheels that fall under the scope of this review, and hence, the average price per piece may differ significantly depending on the diameter, width and design of the particular wheel.
- (120) More than 97 % by volume (90,5 % by pieces) of imports from China are declared under three CN Codes used for imports of SRW to be used in buses, tractors, trucks and trailers ⁽⁶⁸⁾.
- (121) As there was no cooperation from the Chinese exporting producers, the Commission compared the import data under the three declared CN Codes with the Union industry's average sales price of those SRW with the largest diameters (19-20 inches), which are predominantly manufactured for larger vehicles such as the types mentioned in the previous recital.
- (122) On that basis, Chinese import undercut the Union industry's prices by 11 %.

5.4.4. *Imports from third countries other than the People's Republic of China*

- (123) The imports of steel road wheels from third countries other than the PRC were mainly from India, Switzerland, Türkiye and Vietnam.
- (124) The (aggregated) volume of imports into the Union as well as the market share and price trends for imports of steel road wheels from these countries developed as follows:

Table 5

Imports from third countries

Country		2021	2022	2023	RIP
Türkiye	Volume (thousand pieces)	1 768	2 003	1 630	1 567
	<i>Index</i>	100	113	92	89
	Market share (%)	6,2	7,4	6,0	6,6
	Average price (EUR/piece)	56,26	65,32	80,40	76,01
	<i>Index</i>	100	116	143	135
India	Volume (thousand pieces)	810	588	540	274
	<i>Index</i>	100	73	67	34
	Market share (%)	2,9	2,2	2,0	1,2
	Average price (EUR/piece)	18,46	21,17	22,65	36,20
	<i>Index</i>	100	115	123	196

⁽⁶⁸⁾ 8708 70 99 80 (SRW used for trucks, tractors, buses), 8716 90 90 95 (SRW used for trailers and semi-trailers) and 8716 90 90 97 (SRW used for trailers and semi-trailers).

Country		2021	2022	2023	RIP
Switzerland	Volume (thousand pieces)	176	142	144	171
	<i>Index</i>	100	80	82	97
	Market share (%)	0,6	0,5	0,5	0,7
	Average price (EUR/piece)	101,42	121,63	127,46	129,16
	<i>Index</i>	100	120	126	127
Vietnam	Volume (thousand pieces)	59	51	121	97
	<i>Index</i>	100	87	206	165
	Market share (%)	0,2	0,2	0,4	0,4
	Average price (EUR/piece)	93,32	117,37	84,90	94,18
	<i>Index</i>	100	126	91	101
Other third countries	Volume (thousand pieces)	307	566	298	170
	<i>Index</i>	100	185	97	55
	Market share (%)	1,1	2,1	1,1	0,7
	Average price (EUR/piece)	46,52	57,88	71,95	73,22
	<i>Index</i>	100	124	155	157
Total of all third countries except the PRC	Volume (thousand pieces)	3 119	3 350	2 732	2 278
	<i>Index</i>	100	107	88	73
	Market share (%)	11,0	12,3	10,0	9,6
	Average price (EUR/piece)	48,73	59,49	70,74	75,77
	<i>Index</i>	100	122	145	155

Source: Article 14(6) database.

- (125) Imports from other third countries have been stable during the period considered, with a market share floating around 10 %.
- (126) By far the biggest source of imports is Türkiye. The market share held by Turkish imports was relatively stable during the period considered as import volumes decreased only slightly less than the drop in consumption.
- (127) For all above origins, the average wheel price exceeds the average price per wheel manufactured in the Union. As mentioned before in recital (119), there are many different sizes of the steel road wheels that fall under the scope of this review, and hence, the average price per piece may differ significantly between the different sources of supply, in particular depending on the diameter, width and design of the particular wheel.

5.5. Economic situation of the Union industry

5.5.1. General remarks

- (128) The assessment of the economic situation of the Union industry included an evaluation of all economic indicators having a bearing on the state of the Union industry during the period under review.
- (129) As mentioned in recital (10), sampling was used for the assessment of the economic situation of the Union industry.
- (130) For the injury determination, the Commission distinguished between macroeconomic and microeconomic injury indicators. The Commission evaluated the macroeconomic indicators on the basis of data contained in the macro-questionnaire submitted by the applicant. The Commission evaluated the microeconomic indicators on the basis of data contained in the questionnaire replies from the sampled Union producers. Both sets of data were found to be representative of the economic situation of the Union industry.
- (131) 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.
- (132) The microeconomic indicators are: average unit prices, unit cost, labour costs, inventories, profitability, cash flow, investments, return on investments, and ability to raise capital.

5.5.2. Macroeconomic indicators

5.5.2.1. Production, production capacity and capacity utilisation

- (133) The total Union production, production capacity and capacity utilisation developed over the period considered as follows:

Table 6

Production, production capacity and capacity utilisation

	2021	2022	2023	RIP
Production volume (thousand pieces)	25 323	24 590	25 482	22 619
<i>Index</i>	100	97	101	89
Production capacity (thousand pieces)	40 898	40 987	39 445	38 331
<i>Index</i>	100	100	96	94
Capacity utilisation (%)	61,9	60,0	64,6	59,0
<i>Index</i>	100	97	104	95

Source: Union industry

- (134) During the period considered, production volumes in pieces were relatively stable during the first three years. However, during the review investigation period, the production volume decreased strongly, by 11 %. That decrease corresponds to an equal downward trend of sales volumes (see Table 7 below) and is in line with the 13 % fall in Union consumption in the review investigation period as compared to 2023 (Table 2 above).

- (135) The production capacity, that stood at 52 289 000 pieces in the investigation period of the original investigation, had been reduced to 40 898 000 pieces in 2021. It remained stable in 2022 but further decreased significantly in 2023 and the review investigation period.
- (136) The sampled Union producers all manufacture against orders. Despite the significant reduction of production capacity, the capacity utilisation rate, decreased by 5 % over the period considered and stood at only 59 % in the review investigation period, lower than ever observed by the Commission since SRW were first investigated in 2019/2020.

5.5.2.2. Sales volume and market share

- (137) The Union industry's sales volume and market share developed over the period considered as follows:

Table 7

Sales volume and market share

	2021	2022	2023	RIP
Sales volume on the Union market (thousand pieces)	24 963	23 712	24 409	21 226
<i>Index</i>	100	95	98	85
Market share (%)	88,2	87,2	89,4	89,6
<i>Index</i>	100	99	101	102

Source: Union industry.

- (138) Sales volumes have decreased by 15 % during the period considered, with a dramatic decrease during the review investigation period, in line with the decrease in Union consumption (see Table 2).
- (139) Consequently, the Union industry's market share was relatively stable during the period considered and stood at 89,6 % in the review investigation period.

5.5.2.3. Growth

- (140) In a context of a significant fall in consumption, the Union industry lost important sales volumes.
- (141) Sales turnover showed growth during the first two years of the period considered, which could be attributed to higher sales prices per piece. However, during the review investigation period sales turnover receded back to the 2021 level as sales volumes decreased far below 2021 levels (see Table 7 above) whereas average sales prices went below cost of production (see Table 9 below). Over the whole period considered, the Union industry was not able to grow.

5.5.2.4. Employment and productivity

(142) Employment and productivity developed over the period considered as follows:

Table 8

Employment and productivity

	2021	2022	2023	RIP
Number of employees	2 628	2 555	2 556	2 412
<i>Index</i>	100	97	97	92
Productivity (thousand pieces / employee)	9,6	9,6	10	9,4
<i>Index</i>	100	100	103	97

Source: Union industry.

(143) The number of employees has decreased during the period considered, in line with the decrease of production. Overall, the number of employees decreased by 8 % during the period considered.

(144) In terms of productivity, the Union producers' productivity was stable during the period considered, as they adapted the size of the workforce to the production volumes.

5.5.2.5. Magnitude of the dumping margin and recovery from past dumping

(145) The dumping margin established during the review investigation period were significantly above the *de minimis* level. At the same time, the level of imports during the review investigation period was very limited, representing less than 1 % of Union consumption. Therefore, the impact of the magnitude of the actual margins of dumping on the Union industry was limited.

5.5.3. Microeconomic indicators

5.5.3.1. Prices and factors affecting prices

(146) The average unit sales prices of the sampled Union producers to unrelated customers in the Union developed over the period considered as follows:

Table 9

Sales prices and cost of production in the Union (EUR/piece)

	2021	2022	2023	RIP
Average unit sales price in the Union to unrelated customers	15,9	21,2	20,7	19,3
<i>Index</i>	100	133	130	121
Unit cost of production	17,2	21,5	20,3	19,8
<i>Index</i>	100	125	118	115

Source: Sampled Union producers.

- (147) The average sales price increased by 33 % and more than cost between 2021 and 2022. The significant cost increase reflected an increase in the cost of the main raw material used (hot rolled coils) and energy. The sales price has thereafter decreased more than cost. The Commission found that the Union industry's sales contracts often contain a clause on price adjustments when prices of raw materials fluctuate.

5.5.3.2. Labour costs

- (148) The average labour costs of the Union industry developed over the period considered as follows:

Table 10

Average labour costs per employee

	2021	2022	2023	RIP
Average labour costs per employee (EUR)	40 185	39 785	45 804	47 730
<i>Index</i>	100	99	114	119

Source: Sampled Union producers.

- (149) The average cost of labour – which includes all social charges – increased by 19 % during the period considered. A particular increase was observed in 2023, as employees were in that year compensated for the high inflation rate in 2022 ⁽⁶⁹⁾. The labour cost increase thus reflects the overall trend in the EU with nominal wages rising in order to respond to rising costs of living including of energy costs, especially following the outbreak of the war in Ukraine ⁽⁷⁰⁾.

5.5.3.3. Inventories

- (150) Stock levels of the Union producers developed over the period considered as follows:

Table 11

Inventories

	2021	2022	2023	RIP
Closing stocks (thousand pieces)	721	705	638	678
<i>Index</i>	100	98	88	94
Closing stocks as a percentage of production	7,7	7,5	6,0	6,8
<i>Index</i>	100	98	78	89

Source: Sampled Union producers.

⁽⁶⁹⁾ Annual inflation more than tripled in the EU in 2022 – Eurostat news article: <https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20230309-2>.

⁽⁷⁰⁾ Labour market and wage developments in Europe 2024 – Publications Office of the European Union, p. 47, <https://op.europa.eu/webpub/empl/lmwd-annual-review-leaflet-2024/>.

- (151) The closing stock in pieces has been rather stable during the period considered, with a decrease in 2023 followed by a resumption of the stock level during the review investigation period. Overall, in percentage of production, the level of closing stock has been stable during the whole period considered and the relatively low level as percentage of production mirrors the fact that the product under review is manufactured against orders.

5.5.3.4. Profitability, cash flow, investments, return on investments and ability to raise capital

- (152) Profitability, cash flow, investments and return on investments of the Union industry developed over the period considered as follows:

Table 12

Profitability, cash flow, investments and return on investments

	2021	2022	2023	RIP
Profitability of sales in the Union to unrelated customers (% of sales turnover)	- 1,3	+ 2,7	+ 2,9	+ 0,1
<i>Index</i>	- 100	+ 206	+ 218	+ 9
Cash flow (EUR)	- 1 165 665	5 960 759	10 789 262	6 964 251
<i>Index</i>	- 100	511	926	597
Investments (EUR)	8 687 026	9 268 020	5 570 079	6 919 161
<i>Index</i>	100	107	64	80
Return on investments	- 5,1 %	- 0,5 %	+ 9,4 %	- 3,6 %
<i>Index</i>	- 100	- 9	+ 184	- 70

Source: Sampled Union producers.

- (153) 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.
- (154) Following a year with a loss (2021), the Union industry returned to low profits from 2022 onwards. The reduction of profit to only 0,1 % during the review investigation period should be seen in light of the loss of sales volumes. The overall positive profit trend during the whole period considered is also reflected in Table 9 above, which showed that the average sales price had increased by 21 % while the average cost of production increased by 15 %.
- (155) The net cash flow is the ability of the Union producers to self-finance their activities and is measured at the level of all sales destination (i.e. including export sales). The trend in net cash flow followed the overall slightly positive development of the profit margin, starting with a negative cash flow in 2021 but with positive cash flows from 2022 onwards.
- (156) Investments have been stable during the period considered, at between EUR 5 to 10 million annually, which also is within the same range (EUR 7 to 13 million) as in the original investigation.

- (157) The return on investments is the profit from all sales – including export sales - in percentage of the net book value of investments. Overall, it followed the same development as the profit margin on EU sales, but with slightly more negative figures. This should be seen in light of the fact that sales outside the Union are facing competition in markets not protected from dumped imports from the PRC, leading to lower average sales prices on the export market compared to the Union market
- (158) Neither of the Union producers reported any specific issues related to the ability to raise capital on the market.

5.5.4. Conclusion on injury

- (159) Despite the anti-dumping measures in place and while having a market share of Union consumption of between 85 % and 90 % during the period considered, the Union industry is not in a healthy situation.
- (160) This is best illustrated by the Union industry's profitability: the Union industry was loss-making in 2021, reported small profits only in 2022 and 2023 and operated virtually at break-even in the review investigation period. The other financial indicators show a similar unsatisfactory picture. Also, other key indicators are negative: sales volumes went down by 15 % since 2021, and the industry's capacity utilisation rate went down by 5 %, in spite of significant production capacity reductions in the same period.
- (161) On the basis of the above, the Commission could conclude that the Union industry did suffer material injury within the meaning of Article 3(5) of the basic Regulation during the review investigation period.

6. CAUSATION

- (162) During the period considered, the Union industry suffered material injury. Chinese imports did not play a significant role in the Union industry's injury. As indicated in recital (116), the level of imports from China was representing less than a 1 % market share throughout the period considered.
- (163) The fall in consumption, by 16 % from 2021 to 2024 and by 40 % as compared to 2018, the investigation period of the original investigation, is the single most important factor not allowing the Union industry to achieve healthy profits. Indeed, the strong drop in demand for SRW has a direct impact on the Union industry's production volumes and the usage of its machinery, resulting in a capacity utilisation ratio below that observed in the original investigation. The fall in demand and consequently EU industry sales volumes is – in its turn – linked to lower sales of SRW requiring vehicles manufactured in the Union over the last 4–5 years. In such situation, the Union industry is only able to achieve tiny margins at most.
- (164) Imports from other countries also played a role. They held a market share that fluctuated between 10 % and 12 %, which is significant and has certainly contributed to the volume injury, even if imports from countries other than China have overall decreased over the period considered both in terms of volumes and market share. In the context of, primarily, a strong drop in consumption and, to a lesser extent, a strong presence of imports from countries other than China, the role that can be attributed to the imports from China in the injury of the Union industry is rather limited, in view of the small market share such imports held in the period considered.
- (165) The Commission therefore concluded that Chinese imports are not responsible for the material injury to the Union industry, but that other factors, in particular the drop in consumption and the strong level of imports from other countries, caused that injury.
- (166) Therefore, the Commission decided to further assess, in accordance with Article 11(2) of the basic Regulation, whether there would be a likelihood of recurrence of injury originally caused by the dumped imports from the PRC if the measures against such imports were allowed to lapse.

7. LIKELIHOOD OF RECURRENCE OF INJURY

(167) In the absence of cooperation from any party in the PRC, the Commission relied on the information available on file. It examined the production capacity and spare capacity in the PRC; the relationship between prices in the Union and export prices to third countries from China; the attractiveness of the EU market and the impact that increased volumes of Chinese imports would have on the Union industry.

7.1. Production capacity and spare capacity in the PRC

(168) As concluded in recitals (99) to (101), the spare capacity of Chinese producers of SRW is estimated to represent over 250 % of the free consumption of steel road wheels in the Union. That spare capacity could be used for export to the Union if measures were allowed to lapse.

7.2. Attractiveness of the Union market

(169) As explained in recitals (102)-(103), the Union market remains, in spite of the measures, one of China's most important export markets and the average prices it can obtain on that market, even with the measures in force, are significantly higher than prices on most of China's other important export markets. Moreover, since 2019, the traditionally important US market has prohibitive trade measures with regard to Chinese imports in place. Similarly, also in India, which used to be one of China's main export markets, there are anti-dumping measures in place. As a result of these measures, exporting producers that used to supply those markets are likely to explore alternative export markets and, in view of its size and prices, and the historical Chinese interest, the Union is then likely to be targeted by those parties.

7.3. Impact of increased volumes of Chinese imports on the Union industry

(170) Given the above considerations, should measures be allowed to lapse, the Union industry will be confronted with an important increase of Chinese imports for any type of steel road wheel. Therefore, the likely arrival into the Union of high volumes of imports from the PRC at much lower prices if measures are allowed to lapse would force the Union industry to reduce its production volumes and lower its prices.

(171) During the review investigation period, based on the customs codes under which most Chinese imports were reported, Chinese imports focused their sales on the niche markets of special sized wheels and hardly sold wheels in the passenger cars segment. These sales undercut the Union industry prices by 11 %.

(172) With sales volumes further shrinking and reinforced price pressure, Union producers would be reluctant to further invest and increasingly encounter difficulties to fulfil their commitments, including social and environmental ones. Profit levels would likely quickly go negative for such a capital-intensive industry. This would undermine the Union industry's ability to raise capital and, in the longer term, endanger its viability, possibly triggering the closure of production facilities, thereby also causing disruptions in supply chains.

7.4. Conclusion

(173) On this basis, it is concluded that the absence of measures would in all likelihood result in a significant increase of dumped imports from the PRC at injurious prices, with the consequence that the injurious situation of the Union industry will therefore further aggravate.

8. UNION INTEREST

(174) In accordance with Article 21 of the basic Regulation, the Commission examined whether maintaining the existing anti-dumping measures would be against the interest of the Union as whole. The determination of the Union interest was based on the appreciation of all the various interests involved, including those of the Union industry, importers and users.

8.1. Interest of the Union industry

(175) Recital (110) mentions the total number of EU manufacturers of the product under review. The request was submitted by nine Union producers, while none of the other two known producers expressed opposition against the initiation of the investigation. As concluded in recital (161) above, the Union industry is suffering from material injury. Despite, as explained in recital (165), the material injury is not attributable to the Chinese imports, a repeal of the measures would likely result of a renewed influx of dumped imports from the PRC at injurious prices, as concluded in recital (173). The continuation of the measures, therefore, is in the interest of the Union industry.

8.2. Interest of unrelated importers

(176) No importers cooperated with the investigation.

(177) The lack of cooperation of importers did not allow the Commission to analyse whether importers were performing badly or unable to pass on price increases, if any.

(178) The Commission noted that, apart from the abundant Union production, importers and supply chains can avail themselves from imports from several alternative origins.

(179) Therefore, it is concluded that there is no evidence suggesting that the measures in force considerably affected the importers of the product under review.

8.3. Interest of users

(180) No users cooperated in the investigation. Therefore, the Commission was not in a position to analyse the impact of existing measures on the situation of users.

(181) According to the findings in the original investigation, the impact of measures on steel road wheels is limited for car producers. This conclusion stemmed from the estimation made by a sampled Union producer according to which a full set of steel road wheels represents about 0,6 % of the cost of producing a small passenger car or 0,7 % of the cost of producing a truck.

(182) There is no other information on file showing that measures would have a significant negative impact on the users outweighing the positive impact of the continuation of measures on the Union industry.

(183) On that basis it is confirmed that the measures currently in force had no substantial negative effect on the financial situation of users and that the continuation of the measures would not unduly affect them.

8.4. Conclusion on Union interest

(184) On the basis of the above, the Commission concluded that there was no compelling reason of the Union interest against the maintenance of the existing measures on imports of steel road wheels originating in the PRC.

9. ANTI-DUMPING MEASURES

(185) On the basis of the conclusions reached by the Commission on the likelihood of continuation of dumping and of recurrence of injury and Union interest, the anti-dumping measures on imports of steel road wheels originating in the PRC should be maintained.

(186) To minimise the risks of circumvention due to the difference in duty rates, special measures are needed to ensure the application of the individual anti-dumping duties. The companies with individual anti-dumping duties must present a valid commercial invoice to the customs authorities of the Member States. The invoice must conform to the requirements set out in Article 1(3) of this regulation. Imports not accompanied by that invoice should be subject to the anti-dumping duty applicable to 'all other imports originating in the PRC'.

- (187) While presentation of this invoice is necessary for the customs authorities of the Member States to apply the individual rates of anti-dumping duty to imports, it is not the only element to be taken into account by the customs authorities. Indeed, even if presented with an invoice meeting all the requirements set out in Article 1(3) of this regulation, the customs authorities of Member States must carry out their usual checks and may, like in all other cases, require additional documents (shipping documents etc.) for the purpose of verifying the accuracy of the particulars contained in the declaration and ensure that the subsequent application of the lower rate of duty is justified, in compliance with customs law.
- (188) The individual company anti-dumping duty rates specified in this Regulation are exclusively applicable to imports of the product under review originating in the PRC and produced by the named legal entities. Imports of the product under review produced by any other company not specifically mentioned in the operative part of this Regulation, including entities related to those specifically mentioned, should be subject to the duty rate applicable to 'all other imports originating in the PRC'. They should not be subject to any of the individual anti-dumping duty rates.
- (189) A company may request the application of these individual anti-dumping duty rates if it changes subsequently the name of its entity. The request must be addressed to the Commission ⁽⁷¹⁾. The request must contain all the relevant information enabling to demonstrate that the change does not affect the right of the company to benefit from the duty rate which applies to it. If the change of name of the company does not affect its right to benefit from the duty rate which applies to it, a regulation about the change of name will be published in the *Official Journal of the European Union*.
- (190) In view of Article 109 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council ⁽⁷²⁾ when an amount is to be reimbursed following a judgment of the Court of Justice of the European Union, the interest to be paid should be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the *Official Journal of the European Union* on the first calendar day of each month.
- (191) All interested parties were informed of the essential facts and considerations on the basis of which it was intended to recommend that the existing measures be maintained. They were also granted a period to make representations subsequent to this disclosure. The comments thereto have been detailed in recitals above.
- (192) The measures provided for in this Regulation are in accordance with the opinion of the Committee established by Article 15(1) Regulation (EU) 2016/1036. The Committee established by Article 15(1) of Regulation (EU) 2016/1036 delivered a positive opinion,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is imposed on imports of wheels of steel designed for use on the road, whether or not with their accessories and whether or not fitted with tyres, designed for:

- road tractors,
- motor vehicles for the transport of persons and/or the transport of goods,
- special purpose motor vehicles (for example, fire-fighting vehicles, spraying lorries),
- trailers or semi-trailers, not mechanically propelled, of the above listed vehicles,

originating in the People's Republic of China, currently falling under CN codes ex 8708 70 10, ex 8708 70 99 and ex 8716 90 90 (TARIC codes 8708 70 10 80, 8708 70 10 85, 8708 70 99 20, 8708 70 99 80, 8716 90 90 95 and 8716 90 90 97) ('the product concerned').

⁽⁷¹⁾ European Commission, Directorate-General for Trade, Directorate G, Rue de la Loi/Wetstraat 170, Bruxelles/Brussel, BELGIQUE/BELGIË.

⁽⁷²⁾ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>).

The following products are excluded:

- road wheels of steel for the industrial assembly of pedestrian-controlled tractors currently falling under subheading 8701 10,
- wheels for road quad bikes,
- wheel centres in star form, cast in one piece, of steel,
- wheels for motor vehicles, specifically designed for uses other than on public roads (for example, wheels for agricultural tractors or forestry tractors, for forklifts, for pushback tractors, for dumpers designed for off-highway use),
- wheels for passenger car trailers and for caravans, not mechanically propelled, with a rim diameter of not more than 16 inches,
- wheels for trailers or semi-trailers, specifically designed for uses other than on public roads (for example, wheels for agricultural trailers and other trailed agricultural equipment used in fields).

2. The rates of the definitive anti-dumping duty applicable to the net, free-at-Union-frontier price, before duty, of the product described in paragraph 1 and manufactured by the companies listed below, shall be as follows:

Company	Definitive anti-dumping duty (%)	TARIC additional code
Xingmin Intelligent Transportation Systems Co., Ltd	50,3	C508
Tangshan Xingmin Wheels Co., Ltd.	50,3	C509
Xianning Xingmin Wheels Co., Ltd.	50,3	C510
Other cooperating companies listed in the Annex	50,3	See Annex
All other companies	66,4	C999

3. The application of the individual duty rates specified for the companies mentioned in paragraph 2 shall be conditional upon presentation to the Member States' customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by name and function, drafted as follows: 'I, the undersigned, certify that the (number of items) (product concerned) sold for export to the European Union covered by this invoice was manufactured by (company name and address) (TARIC additional code) in [country concerned]. I declare that the information provided in this invoice is complete and correct.' If no such invoice is presented, the duty applicable to all other companies shall apply.

4. Unless otherwise specified, the provisions in force concerning customs duties shall apply.

Article 2

Where any producer from the People's Republic of China provides sufficient evidence to the Commission that:

- (i) it did not export the goods described in Article 1(1) originating in the People's Republic of China during the period of investigation (1 January 2018 to 31 December 2018);
- (ii) it is not related to an exporter or producer subject to the measures imposed by this Regulation; and
- (iii) it has either actually exported the goods concerned or has entered into an irrevocable contractual obligation to export a significant quantity to the Union after the end of the period of investigation;

the Commission may amend the Annex in order to attribute to that producer the duty applicable to cooperating producers not in the sample, i.e. 50,3 %.

Article 3

Where a declaration for release for free circulation is presented in respect of the products referred to in Article 1(1), irrespective of their origin, the number of items of the products imported shall be entered in the relevant field of that declaration.

Member States shall, on a monthly basis, inform the Commission of the number of items imported under TARIC codes 8708 70 10 80, 8708 70 10 85, 8708 70 99 20, 8708 70 99 80, 8716 90 90 95 and 8716 90 90 97, and of their origin.

Article 4

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, 25 February 2026.

For the Commission
The President
Ursula VON DER LEYEN

ANNEX

Chinese exporting producers with individual TARIC codes:

Name	TARIC additional code
Dongfeng Automobile Chassis System Co., Ltd (also called 'Dongfeng Automotive Wheel Co., Ltd')	C511
Hangzhou Forlong Impex Co., Ltd	C512
Hangzhou Xingjie Auto Parts Manufacturing Co., Ltd	C513
Jiaxing Henko Auto Spare Parts Co., Ltd	C514
Jining Junda Machinery Manufacturing Co., Ltd	C515
Nantong Tuenz Corporate Co., Ltd	C516
Ningbo Luxiang Autoparts Manufacturing Co., Ltd	C517
Shandong Zhengshang Wheel Technology Co., Ltd	C518
Shandong Zhengyu Wheel Group Co., Ltd	C519
Xiamen Sunrise Group Co., Ltd	C520
Yantai Leeway Electromechanical Equipment Co., Ltd	C521
Yongkang Yuefei Wheel Co., Ltd	C522
Zhejiang Jingu Co., Ltd	C523
Zhejiang Fengchi Mechanical Co., Ltd	C524
Zhengxing Wheel Group Co., Ltd	C525
Zhenjiang R & D Auto Parts Co., Ltd	C526