

## **The Annex: Basic Facts Disclosure on EU Pork and By-product Anti-Dumping Case**

In accordance with the provisions of the Anti-Dumping Regulations of the People's Republic of China (hereinafter referred to as the Anti-Dumping Regulations), on June 17, 2024, the Ministry of Commerce (hereinafter referred to as the investigation agency) issued Announcement No. 23 of 2024, decided to conduct an anti-dumping investigation into imported pork and pork by-products (hereinafter referred to as the products under investigation).

The investigation authority investigated whether the product under investigation had a dumping and dumping margin, whether the product under investigation caused damage to the domestic pork and pork by-product industry and the causal relationship between dumping and damage. In accordance with the outcome of the investigation and the provisions of the Anti-Dumping Regulations, the investigating authority makes the following preliminary decision:

### **I. Investigation procedures**

#### **(1) Preparation and notice.**

##### **1) Preparation of case.**

On June 6, 2024, the China Livestock Association (hereinafter referred to as the applicant) registered the relevant pork and pork by-product industries in China, and formally filed with the investigation authorities the application for anti-dumping investigations into imports of pork and pork by-products originating in the EU.

The investigation authority examined the application materials and found that the application in this case complies with the provisions of Articles 11, 13 and 17 of the Anti-Dumping Regulations relating to the applicant's application for anti-dumping investigation. At the same time, the application contains the contents of the anti-dumping investigation under Articles 14 and 15 of the Anti-Dumping Regulations and the relevant evidence.

In accordance with the results of the above review and the provisions of Article 16 of the Anti-Dumping Regulation, the investigation authority issued a notice on June 17, 2024, and decided to conduct an anti-dumping investigation into imports of pork and pork by-products originating in the EU. The dumping investigation period is from January 1, 2023 to December 31, 2023 (hereinafter referred to as the dumping investigation period) and the industrial damage investigation period is January 1, 2020 to December 31, 2023 (hereinafter referred to as the damage investigation period).

##### **(2) Notice of filing.**

Before deciding to open an investigation, in accordance with Article 16 of the Anti-Dumping Regulation, the investigation authority notified the EU delegation in China regarding the receipt of domestic applications for anti-dumping investigations in the pork and by-product industry.

On June 17, 2024, the investigative authorities issued a Notice for the Opening of Cases, which officially provided the EU Mission in China with the public text of the filing notice and application. On the same day, the investigating authority notified the applicant of the case and the EU enterprises listed in the application.

##### **(3) Public information.**

In the filing announcement, the investigation authority informed interested parties that it can download the Trade Relief Investigation Bureau sub-site of the Ministry of Commerce website or consult the public version of the public and confidential summary of the information related to this anti-dumping investigation.

On the day of filing, the investigation authority made public and confidential summaries of the application submitted by the applicant in this case through the Trade

Relief Public Information Access Office of the Ministry of Commerce, and posted the electronic version on the website of the Ministry of Commerce.

#### **4) Preparation of comments.**

The European Commission (hereinafter referred to as the European Commission), the Spanish government, the French Pig Union, the EU Livestock and Trade Union submitted comments on the case, arguing that the evidence of dumping, damage and causation provided in the application does not sufficiently justify the initiation of the investigation. First, the application provided only a list of 121 members of the Chinese Livestock Association and did not list other domestic producers. Due to the short time of submission of applications and the short time between the filing days, the investigation authorities may not be able to conduct an analysis of adequate representation and support. Second, the application does not cite the source of EU export data to Japan, and Eurostat's export data is slightly different from the data provided in the application, and the investigation authority shall require the applicant to disclose the source of the data. Third, the European Commission website provides EU pork market prices and trade data, and the applicant has not proved the appropriateness of determining the normal value of the EU export price to Japan. If the EU exports to China by-products of low-cost pigs, bone meat and other pork, exports to Japan are mainly expensive pigs and debones, and the product mix of the two markets is not comparable. In addition, the EU exports to China are mainly frozen products, the EU region sales mainly cold fresh products, the applicant will two different product combination together can not be fair comparison. Fourth, China's imports from the EU fell, and import prices remained stable, which did not affect the price of pork in China. Fifth, the main indicators of the domestic industry in the application show a positive trend, and the evidence of substantial damage is insufficient. Sixth, the application does not take into account factors such as African swine fever, epidemic policy, other import sources, overproduction and cost increase in the country. After the investigation period (since 2024), due to changes in supply and demand in China's pork market and falling costs, the domestic industrial situation has improved, further indicating that there is no causal relationship between EU imports and damage.

The investigation authorities believe that the applicant is an industry organization in the relevant pork and pork by-product industries in China, and in the application provided evidence that it has the right to bring anti-dumping investigations on behalf of the domestic industry. The investigation authority examines the applicant's qualifications and considers that it meets the statutory filing requirements. Before and after the case was filed, the investigating authorities did not receive material from domestic producers opposing the filing of the case. In the application, the applicant provided evidence materials such as request to investigate product dumping, damage to the domestic industry, and there is a causal relationship between dumping and damage, and the investigation authority examined the evidence provided by the applicant and found that it met the statutory filing requirements.

According to the results of the above review, the investigation authority considers that the application conforms to the contents and relevant evidence required by the domestic industry to submit anti-dumping investigation applications and anti-dumping investigation cases. The investigatory authorities therefore do not accept the above-mentioned claims of stakeholders, such as the Commission.

#### **(2) Pre-trial investigation.**

##### **Register to participate in the investigation.**

Within the prescribed time, the EU delegation to China and the Spanish Embassy in China, the Embassy of Ireland, the Embassy of Denmark in China, the Embassy of Finland, the Embassy of Austria in China, the Embassy of Italy in China, the Embassy of Germany in China, the Embassy of Holland in China, the Embassy of France in China,

the French Embassy in China, the French Embassy in China and the French Finance Agency, the Spanish Pig Industry Union, the Danish Agriculture and Food Council, the Dutch Meat Industry Association, the European Natural Boat Association, IbecCLG (MII) etc. several EU exporters or producers such as LITERA MEAT S.L., Danish Crown A/S and Vion Boxtel B.V., Shanghai Jiayatang Food Co., Ltd., Shanghai Yizuan Industrial Co., Ltd., Qingdao New Association International Logistics Co., Ltd., Dennis Crown Foods (China), Coplex Trade (Beijing) Limited, Beijing Beautiful Food Co., Ltd. domestic importers such as Shanghai Rui Trung International Trade Co., Ltd., as well as the China Food and Animal Import and Export Association, China Livestock Association, China Meat Association, Qingdao Xin Wanfu Food Co., Ltd. and the Public Department of Chongqing Agricultural Meat and Food Co., Ltd. registered with the investigation authorities.

## **2) Sample surveys.**

Due to the large number of relevant exporters and domestic producers, the comprehensive investigation will place an excessive burden on the investigation authorities and hinder the timely completion of the investigation, according to the relevant provisions of the Anti-Dumping Regulations of the People's Republic of China and the Provisional Rules on Sampling of Anti-Dumping Investigations, the investigation authority decided to use the sampling method to conduct the investigation. On July 18, 2024, the investigation authority issued the Notice on the Sampling Scheme and Preliminary Sampling Results in Relevant Pork and By-product Anti-Dumping Cases.

### **(1) A sample of EU exporters.**

The preliminary decision of the investigation organs to the EU exporters to participate in the investigation report information as a basis, according to the dumping investigation period on the number of Chinese exports to enter the ranking, selected the top three export volume companies as dumping sampling companies.

### **(2) Sampling of domestic producers.**

According to the statistics of the Ministry of Agriculture and Rural Affairs, the survey authority selected the top 20 enterprises in the country for the slaughter of pigs in 2023 as damage sampling enterprises. Considering that these enterprises are basically concentrated in the central and eastern regions of China, the two enterprises with the largest slaughter volume in the western and northeast regions will be added to the damage sampling enterprises after the 20th. The total slaughter volume of 24 sampled enterprises in 2023 is about 4,478 thousand heads, accounting for 6.16% of the total number of pigs in 2023. Sample enterprises are located in Shandong, Guangdong, Anhui, Henan, Inner Mongolia, Chongqing, Yunnan, Liaoning and Heilongjiang, covering pork and pork by-product production enterprises in eastern, central, western and northeast China.

The investigating authority informs the stakeholders of the above-mentioned dumping and damages sampling programme and preliminary sampling results and openly solicits comments. The company commented that it agreed with the preliminary sampling decision made by the investigation authority, and that the French company COOPERLARC ATLANTIQUE and its associated Beijing Beautiful Foods Co., Ltd. submitted comments requesting that the French Copleis Group be listed as a sample company. In addition, the investigating bodies did not receive comments from other stakeholders on the sample programme and the preliminary sample results. The investigation authorities ultimately decided to select the top three EU companies in the export volumes, namely Crown Denmark, Ritella Meat and Vian Bockster Ltd. as sampled exporters, and 24 domestic producers as sampled domestic enterprises.

## **3. Distribution and recovery of questionnaires.**

On July 29, 2024, the Investigative Authority issued the Foreign Exporters or Producers Questionnaire, the Domestic Producers Questionnaire and the Questionnaire to

various stakeholders.

The Domestic Importers Questionnaire requires the submission of accurate and complete answers within the specified time period. Among them, the sample company shall complete the "Foreign Exporters or Producers Questionnaire" in accordance with the requirements, and other non-sampled companies can voluntarily complete and submit the questionnaire as required. The investigation authority will publish the questionnaire notice and the electronic version of the questionnaire on the website of the Ministry of Commerce, and any interested party may consult and download the questionnaire on the website of the Ministry of Commerce. On the same day, the investigating authorities also distributed questionnaires and related notifications to registered stakeholders to participate in the survey through the "Trade Relief Investigation Information Platform" ([https:// etrb.mofcom.gov.cn](https://etrb.mofcom.gov.cn)).

Within the statutory period, the Danish Crown Company Limited and its affiliates, Vijan Bockster Ltd. and its affiliates, the Ritella Meat Division, the French Copleisin Group and its affiliates and 25 domestic production enterprises submitted their responses to the investigation authorities for extension and explained the reasons. Upon review, the investigation authority decided to extend the deadline for the submission of responses by the above enterprises by two weeks.

By the deadline for submission of the questionnaire, the sample exporter Danish Crown Share Limitation Division and its six affiliated companies, Viyan Bockster Ltd. and its four affiliated companies, Ritella Meat Foods Company and its two affiliated companies submitted the questionnaire to the survey authorities for foreign exporters or producers. The French Copleisin Group voluntarily submitted the questionnaire on foreign exporters or producers, and its associated Beijing Beautiful Foods Co., Ltd., voluntarily submitted the questionnaire of domestic importers.

Twenty-five domestic production enterprises submitted the "domestic producer questionnaire" to the survey authorities, of which 24 enterprises in the sample, the company 1 (Shandong) and the public department 21 (Chongqing) did not submit responses, and three enterprises in Xinjiang, Zhejiang and Inner Mongolia did not voluntarily submit the responses.

On September 24 and October 25, 2024, the investigating authorities issued supplementary questionnaires to the three sampled exporters and their affiliates, requesting further submission of additional materials. The above-mentioned companies applied for an extension to submit a supplementary questionnaire and explained the reasons. Upon review, the investigating authority agrees to grant an appropriate extension. Within the specified time period, the above-mentioned companies submitted relevant supplementary materials to the investigative authorities.

On September 24, 2024, the applicant submitted comments that most of the textual information, almost all annexes and forms of the three sampled exporters' answers, were treated confidentially and did not provide a substantive, non-confidential summary that complies with legal requirements is not sufficient for other stakeholders to have a reasonable understanding of the confidential information. The applicant argued that the investigation authority should not take into account the responses of the three sampled exporters and decide on the basis of the best available information.

On 29 September, the Investigative Authority issued a letter to various interested parties on request for comment on the Applicant's Comments. Within the specified time, the European Commission, Danish Crown Co., Vijan Bockster Limited, Ritella Meat Company and Coplexin Group of France submitted comments, first, the non-confidential summary submitted by the company complies with the legal requirements and questionnaire requirements. Second, according to the Anti-Dumping Questionnaire Rules, if the investigating authority considers that the reasons for confidentiality are insufficient,

or the summary of non-confidentiality does not meet the requirements, the interested party shall first be required to supplement and modify within the prescribed period. Information requested to be confidential may not be taken into account only if the interested party has not supplemented and modified within the prescribed time limit, or is not in compliance with the requirements, and the investigating authority cannot prove that the information is correct from an appropriate source.

On October 25, the investigation agency asked the three sample exporters to improve the public version of the questionnaires. On 31 October, the sampled exporters and their affiliates resubmitted public and non-confidential summaries of the original responses. Viyan Bockster Limited and Ritella Meat Company resubmitted a public version of the first supplementary questionnaire. On 11 November, Crown Denmark resubmitted the public version of the first supplementary questionnaire.

On January 9, 2025, the investigation authority issued a supplementary questionnaire asking interested parties to submit information on the price of domestically produced pig by-products in 2023. By the deadline, a total of 15 domestic enterprises had submitted relevant information.

On February 21, 2025, the investigating authorities asked EU producers and exporters who had registered to participate in the survey to provide data on their associated producers' exports to China in 2023. By the deadline, 21 EU producers had submitted the information.

#### **4. Listen to stakeholders.**

On July 5, 2024, the Spanish Embassy in China submitted a statement from the Spanish government on launching an anti-dumping investigation into pork and by-products originating in the European Union.

On July 8, 2024, the French Pig Industry Association submitted its comments. On the same day, the investigative body should have an appointment to meet with the Danish Embassy in China to hear its views on the case.

On July 15, 2024, the EU delegation in China submitted the EU Comments on Product Classification, the Spanish Embassy in China submitted the Spanish government's comments on the classification of products related to pork and by-products, the European Union Livestock and Trade Union submitted the "Comments on Product Classification", the European Natural Coat Association submitted the "Comments on the Classification of Products", the French Association of Pig Industry submitted the "Review on the classification of products of pork and pork by-products".

On July 23, 2024, the applicant submitted comments on relevant stakeholders' comments on product classification. Comments on the Preliminary Sampling were submitted by the Viyan Bockster Limited Division.

On July 25, 2024, the French Copleisin Group and Beijing Beautiful Midele Food Co., Ltd. submitted their Comments on the Preliminary Sampling.

On 19 August 2024, the investigative body met with the Spanish Association of Small and Medium Enterprises of Catalonia (PIMEC) to hear its views on the case.

On 3 September 2024, the EU Delegation to China submitted the EU Comments on the Establishment of the Case.

On 20 September 2024, the EU Livestock and Trade Union submitted its Comments on Applications, Product Type Division, Damage and Cause-and-Consequence.

On September 24, 2024, the applicant submitted comments on the confidential handling of the public version of the exporter's answer to the sample company.

On 8 October 2024, the EU Delegation to China submitted the EU Comments on the Applicant's Comments on Confidential Processing of Sampling Company Questionnaires. Crown Denmark Limited submitted its Comments on Matters Concerning the Confidentiality of the Answer's Public Edition. Ritella Meat Foods has submitted its

Comments on the Confidential Handling of Public Editions.

On October 9, 2024, Vijn Bockster Limited and its affiliated public departments submitted Comments on the Applicant's Summary Comments on Non-Confidential Summary. The French Copleisin Group and one of its affiliates submitted Comments on the Applicant's Comments on Confidential Processing of Sampling Company Questionnaires.

On October 15, 2024, the investigating authority met with five Spanish companies of the Vall Companys Group (CÁRNICAS FRIVALL, S.L.U., INTERNATIONAL CASING PRODUCTS, S.L.U., PATEL S.A.U., EMBUTIDOS RODRIGUEZ, S.L., CÁRNICAS CINCO VILLAS, S.A.U.) to hear their views on this case. On October 22, the above-mentioned five Spanish dental companies submitted the post-meeting materials of the Ministry of Commerce.

On November 8, 2024, Ritella Meat Foods submitted a statement of product model changes and a letter of company name confirmation.

On December 9, 2024, the applicant submitted comments on the processing of relevant stakeholders and not included in the calculation of the dumping margin.

On February 28, 2025, the applicant submitted a proposal to improve the description of the main uses of the product under investigation.

On March 4, 2025, the investigation authority sent a letter asking all interested parties to respond to the Recommendations on Improving the Description of the Main Uses of the Products under Investigation submitted by the applicant.

I'll make comments. No comments were received by the investigative bodies as of the prescribed deadline.

## **5. Verification on the ground.**

In order to verify the completeness, authenticity and accuracy of the information and materials submitted by domestic production enterprises, in accordance with the provisions of Article 20 of the Anti-Dumping Regulations, the investigation authority conducted on-site verification of a sample of enterprises from October 10 to 12, 2024, checked the relevant information in the materials submitted by enterprises and collected relevant evidence. The relevant nuclear inspection materials have been submitted to the "Trade Relief Investigation Information Platform" and the public information access room.

In order to verify the completeness, authenticity and accuracy of the information and materials submitted by sample exporters in the EU, in accordance with Article 20 of the Anti-Dumping Regulation, on-site inspections were carried out between June 26 and July 5, 2025 in respect of Crown Denmark, Ritella Meat and Vijnbokst Ltd. and related affiliates. The investigative bodies will take into account the materials and information collected during field verifications in further investigations following the preliminary ruling.

### **(6) Public information.**

According to the provisions of Article 23 of the Anti-Dumping Regulations, the investigation authority has published all public materials received and produced during the investigation process in the "Trade Relief Investigation Information Platform" and promptly sent to the Ministry of Commerce Trade Relief Public Information Office. All stakeholders can find, read, copy, copy and copy the public information.

### **(3) Announcement of Extension.**

On June 10, 2025, the investigative authorities issued Proclamation No. 29 of 2025. It was decided to extend the investigation period in this case until December 16, 2025.

Products under investigation

### **(1) Description of the product under investigation.**

Scope of investigation: Imported pork and pork by-products originating in the EU.



Similar products are divided into the following seven categories and are consulted by stakeholders.

Type of code	The Description
The A's	Pig white stripes/ carcass (whether fresh or cold, frozen)
And B	Boned pig front legs, pig hind legs and pieces of meat (whether fresh or cold, frozen)
And C	Other pork (whether fresh or cold, frozen)
And D	Fat pig meat without lean meat, pig fat, cold, frozen, dry, smoked, salted or salted without refining or otherwise extracted
The " E "	Salted pig intestine (except pig head)
The F -	Pig liver (whether fresh or cold, frozen)
The " G "	Other pigs (whether fresh or cold, frozen)

### **(3) Relevant comments.**

The European Commission, the Spanish government, the European Union for Livestock and Trade, the French Pig Union and Vannot Meat Co., Ltd. submitted comments on product classification, first, should distinguish between fresh, refrigerated and frozen products, as the EU mainly exports frozen pork, while the domestic market of China preferentially sells fresh products. Second, the distinction should be made between "Iberian pigs" and "white pigs". Third, the distinction should be made between "fat pork" and "pig fat". Fourth, different parts of pork have different quality and price, such as pig head, heart, kidney, etc., should create relevant subcategories or other appropriate methods, fully consider the quality, cost, trade level, production methods caused by different price differences. The sample exporters advocated dumping margins using the company's own model classification.

The applicant submitted comments that companies have different classification methods or nomenclatures for subdivision categories, lack of uniform classification criteria, various stakeholders have not mentioned for further subdivision, can be implemented standards, in the case of exporters, domestic production enterprises, further segmentation will greatly increase the burden of responding enterprises and investigation agencies, affecting the normal completion of the case.

After examination, the investigation authority believes that, first, fresh, cold, frozen products production and processing process, are all through slaughter, segmentation, packaging, the difference is the storage method, the same specifications of fresh, cold, frozen pork products materialization characteristics have no substantive differences, therefore, the investigation organs do not distinguish between fresh, cold, frozen pork products to be divided. Second, the Spanish government did not submit evidence of a significant difference in the prices of pork and pork by-products of "Iberian pigs" and "white pigs", and the investigative authorities decided not to adopt it. Third, fat



pork and pork fat are not significantly different in terms of apparent characteristics, prices and uses, and neither China Customs nor Eurostat have differentiated between fat pork and pig fat statistics, but merged into a single tax number. As a result, the investigative authorities do not distinguish between them. Fourth, when investigating organs conduct preliminary classification, comprehensive consideration is given to the parts of the products under investigation, customs classification, and burden of investigation organs, and other factors, and categories of pork and pork by-products have been subdivided. In order to further consider the differences between the different categories of pork proposed by the relevant stakeholders, the investigating authority decided initially to calculate the margin of dumping provisionally by each company's own model classification. At the same time, considering that companies have different classification methods or naming of subdivision categories, lack of uniform classification criteria, the preliminary classification method of the investigation authority is still used when assessing the damage price impact of the product under investigation on the domestic industry.

On February 28, 2025, the applicant submitted the Recommendations on Improving the Description of the Main Purpose of the Product under investigation, stating that the purpose of the filing notice regarding the use of the product under investigation was described as "the main purpose: Mainly for human consumption", consistent with the description of the product's use of the relevant tax code, it is recommended to be perfected as "main use: Suitable for human consumption" does not change the scope of the product under investigation in this case. On March 4, 2025, the investigation authority sent a letter asking all interested parties to comment on the proposal submitted by the applicant to improve the description of the main uses of the product under investigation. No interested party submits comments by the specified deadline. Following a preliminary examination, the investigation decided to accept the applicant's relevant recommendations on a provisional basis.

Dumping and dumping margins

**(1) Preliminary determination of normal value, export price, adjustment project.**

**Litera Meat S.L.**

**1. The normal value.**

PINI ITALIA SRL, S.R.L. and GHINZELLIS R.L. are affiliated companies of LITERAMEATS L. during the dumping investigation period, neither PINI ITALIA SRL nor Kinzeli LLC exported the products under investigation to China. The Italia LLC and Kinzeli Limited liability company assert that their products and Ritella Meat Foods' pork products are isolated from each other due to quarantine requirements, are produced and sold independently, and the selling prices and production costs of pig meat between different companies are completely uncomparable, so the investigation authorities in calculating the dumping margin of the products investigated by Ritella Meat Foods to China should be based only on the normal value of the EU market sales price and cost of Ritella Meat Foods Company's own EU market sales and costs, and should not take into account the sale and cost of the EU market of Italy Limited liability company and Jinzeli LLC.

After a preliminary review, Ritella Meat Foods Company, Bini Italy Limited Responsibility Company and Kanzeli Limited Liability Company set up their respective sales and procurement and other business departments, during the dumping investigation period, neither Bini Italy Limited Liability Company nor Jinzeli Limited Liability Company sold similar products to Ritella Meat Food Company, Ritella Meat Food Company only sold a small number of similar products to the Italian company and Jinzeli limited liability company, taking into account the relevant products and Ritella Meat Foods Company. in the case of pork products isolated from each other due to quarantine

requirements, the investigation authority provisionally accepted the company's claim, based on the internal sales and cost data of Ritella Meat Foods Company to determine the normal value.

The investigation authority initially reviewed the classification of the products investigated by Ritella Meat Foods and similar products, and decided to temporarily accept the classification of products used by the company in its management system.

The investigative authorities have initially examined sales in the EU. During the dumping investigation period, the company's total sales in the EU accounted for more than 5% of the number of products surveyed for exports to China during the same period. The investigation authorities further reviewed the internal sales of sub-models, and only some models accounted for more than 5% of the number of products exported to China during the same period. In accordance with the provisions of Article 4 of the Anti-Dumping Regulations, the investigating authority decided to temporarily rely on the domestic sale of this part of the model as the basis for determining the normal value.

The investigation authority initially reviewed the company's affiliated transactions. During the dumping investigation period, the company sells similar products to associated and non-affiliated customers within the EU. Upon review, there was a significant difference between the related sales price and the non-associated sales price. The investigation machine believes that the related sales price cannot reflect the normal trade process, and decided to temporarily rely on the exclusion of domestic sales after the associated transaction as the basis for determining the normal value.

The investigation authority initially reviewed the production costs, costs and related supporting documents submitted by the company, decided to provisionally accept the production costs and cost data reported by it, and conducted a preliminary review of whether the non-related internal sales transaction was lower than the cost. After review, during the dumping investigation period, the number of sales below cost accounted for more than 20% of the number of unrelated intra-related sales. At the time of the preliminary ruling, the investigation authority decided to temporarily determine the normal value of this type of product by excluding non-associated internal sales below cost sales.

For other models with no domestic sales or domestic sales as a proportion of exports of less than 5%, the investigating authority decided to use the method of structural normal value to determine the normal value, and the investigation authority temporarily determines the normal value based on its production costs, expenses and profit margins realized by the company in the normal course of trade within the EU.

## **2. The export price.**

The investigation agency initially examined the company's exports of the products under investigation to China. During the dumping investigation period, the Company's export transactions to China were sold directly to unaffiliated customers. In accordance with the provisions of Article 5 of the Anti-Dumping Regulations, the preliminary investigation authority decided to determine the export price on the basis of the transaction price.

## **3. Adjustment of the project.**

In accordance with the provisions of Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison, the investigation authority reviewed the adjustment items affecting price comparability of the company one by one.

### **(1) The normal value part.**

With regard to the normal value adjustment project, after preliminary review, the investigating authority decided to accept the company's claims for refunds and compensation, early payment discounts, inland transportation charges-factory to distribution warehouse, pre-sales warehousing costs, inland freight charges-distribution

warehouse to customer, inland insurance premiums, credit charges, commissions, etc. Adjustment claims.

## **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, in the preliminary ruling, the investigation authority decided to accept the company's claims for refunds and compensation, international transport costs, international transport insurance premiums, packaging costs, credit fees and commissions.

## **4. About the onshore price (CIF price).**

After review, the investigation authority in the preliminary ruling decided to temporarily accept the company's onshore price data.

The sample exporter Danish Crown A/S and its affiliated producers DAT-Schaub A/S, DAT-Schaub Spain S.L.U. and DAT-Schaub France S.A.S. all exported products to China during the dumping investigation period, and the investigator's initial decision proposed to determine the margin of dumping of the respective companies and then calculate the dumping margins of the associated producers on the basis of the number of export weights of each company.

### **Danish Crown Company Limited (Danish Crown A/S)**

#### **1 ...Normal value.**

The investigation authority initially reviewed the classification of the company's products under investigation and similar products. After a preliminary examination, the investigation authority decided to accept the method of internal model division in the preliminary ruling.

The investigator conducted a preliminary review of the company's sales in the EU. During the dumping investigation period, the company's sales in the EU accounted for more than 5% of the number of products surveyed for exports to China during the same period, in line with the quantity requirements to determine the normal value. The investigation authority further reviewed the sales in the EU by sub-model, the company exported to China of the various models of the products surveyed, some models sold in the EU accounted for more than 5% of the number of products exported to China during the same period; The number of sub-model products sold in the EU accounted for less than 5% of the volume of surveyed products exported to China during the same period. In accordance with the provisions of Article 4 of the Anti-Dumping Regulation, for some models with sales in the EU accounting for more than 5% of exports to China during the same period, the investigation authority decided to temporarily rely on the sale of these models within the EU as the basis for determining the normal value; For the number of sales in the EU accounted for less than 5% of the number of exports to China during the same period, the investigation authority decided to temporarily adopt the method of structure normal value to determine its normal value.

The investigation authority initially reviewed the company's affiliated transactions. During the dumping investigation period, the company sells similar products to affiliated and non-affiliated customers in the EU, but there are significant differences in the EU-related and non-associated sales prices of certain types of products. The investigation authority believes that the sales price of this type of product is affected by the relationship and cannot reflect the normal trade process, and decided to temporarily rely on the exclusion of related transactions in the EU sales as the basis for determining the normal value of the corresponding model product. Some models of products only exist in the EU related sales, the preliminary ruling investigation authority decided to temporarily adopt the normal value of the structure method to determine its normal value. For other models of products, there are only non-associated sales within the EU, or

at the same time there are related and non-associated sales within the EU, but there is no significant difference between the related sales price and the non-associated sales price, the investigation authority decided to temporarily rely on the entire EU sales of the corresponding model product as the basis for determining the normal value.

The investigation authority initially reviewed the production costs, costs and related supporting documents submitted by the company. With regard to direct material costs in production costs, the company first supplemented the answer that when calculating the direct material cost of by-products, the company refers to a certain price of by-product, and as a basis for calculating the direct material cost of the by-product, and then determines the direct material cost of the main product according to the total raw material cost and the by-product direct material cost determined. The company's second supplementary questionnaire stated that when calculating the cost of direct materials by-products, the company will use the signed order or contract price to set the expected sales price, which the company regards as the historical price. After review, the investigation machine shutdown found that, first, the answer to the accounting method of by-product raw material costs is not exactly the same, such as the company in the first supplementary reply that the company examines the direct material cost of a certain price determination by-product, and the second supplementary answer also states that the company calculates the cost of the by-product direct material by-product will be based on the signed order or the same price to set the expected sales price; Second, for the company's largest sales of specific model products, the company accounted for it as a by-product, the survey machine calculated the average sales price of its EU sales and exports to China based on the current answer information, and found that the direct original material cost of the specific model products submitted by the company is 29%. Therefore, the investigation authority believes that the company determines the direct material cost of by-products without taking into account the full historical selling price. Given that a large number of models of products investigated in this case are accounted for by-products by the company as a by-product, the company's accounting method for the direct material cost of by-products has an important impact on the determination of the direct material cost of the company's products, and the company determines that the direct material costs of the by-products submitted by the company only take into account part of the historical selling price, the investigation agency believes that the direct material costs of each type of products submitted by the company can not reasonably reflect the production and sales costs related to the products under investigation, the investigation authority decided to reassess the company's direct material costs according to the dumping investigation period. For other production costs other than the cost of direct materials, in the preliminary ruling, the investigation authority decided to temporarily accept the public department response data.

With respect to costs, the company first apportioned the costs incurred by it to a particular sector, and then to some share of the administrative, sales and financial costs in that sector. After the review, the investigation authority found that, first, the questionnaire did not provide the calculation process and specific method of apportionment of the company's costs to the departments in which the products under investigation and similar products were located, as requested by the questionnaire. Second, the questionnaire did not seek to provide the supporting documentation it had advocated for some share of the costs. Thirdly, the responses do not take into account the actual situation of transaction-related costs when apportioning direct sales costs, such as freight, and are still apportioned according to the above methodology. Fourth, the company did not provide a detailed breakdown of each of the "other costs" according to the company's accounting section as requested by the questionnaire. As a result, the investigating authority decided not to accept the cost-sharing data reported by the company's responses. Since the company did

not report "other costs" as required by the questionnaire and could not prove whether the "other costs" were related to the production and operation of the products under investigation and similar products, the investigation authority decided not to share "other costs" with similar products; For direct sales costs, such as freight, the investigation authority decides to determine the direct sales costs of similar products based on the relevant direct sales cost data provided in table 4-2 of the questionnaire; For administrative expenses, financial expenses and other sales expenses, the investigation authority decides to share the company's related costs to similar products according to the proportion of sales revenue.

Based on the above adjusted production costs and costs data, the investigation authority conducted a preliminary review of whether the various types of similar products in the EU are below cost sales. After review, during the dumping investigation period, the number of sub-cost sales of some of the company's models in the EU accounted for more than 20% of the number of sales in the EU, and the investigation authority decided to use transactions that exclude less than cost sales to determine the normal value; The proportion of some models sold below cost in the EU does not exceed 20% of the number of sales in the EU, and the investigation authority decided to use all transactions to determine the normal value. For some models using the Structural Normal Value method to determine the normal value, the investigating authority decides to determine the normal value on the basis of its production costs, costs and profit rates realized in the normal course of trade within the EU.

## **2 ... Export prices.**

The investigation agency initially examined the company's exports of the products under investigation to China. The company's reply shows that a small number of models in the dumping investigation period export value is 0 or negative, for this part of the transaction, the investigation authority decided not to include the dumping margin calculation range in the preliminary ruling. During the dumping investigation period, some of the company's export transactions were sold directly to China's non-affiliated customers, some transactions were sold to Chinese affiliated companies, some of which were resold directly to China's non-affiliated customers, and some were resold to non-affiliated customers in China after simple processing, and some were processed into other products for re-sale. In accordance with the provisions of Article 5 of the Anti-Dumping Regulations, for export transactions directly sold to non-affiliated companies, the preliminary investigation authority decided to temporarily determine the export price on the basis of the easy price. For sales to Chinese affiliates, the company's reply asserted that the transaction between the affiliated companies is a market behavior, and the transaction price is also the market price. The investigation authority reviewed the sales price and sales volume of the company's different models of products and non-associated sales, and decided to accept the public department's claim temporarily, based on the company's sales to Chinese affiliates as the basis for determining the export price.

## **3 ...Adjustment of the project.**

In accordance with the provisions of Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison, the investigation authority reviewed the adjustment items affecting price comparability of the company one by one.

### **(1) The normal value part.**

With regard to the normal value adjustment project, after preliminary examination, in the preliminary ruling, the investigation authority decided to temporarily accept the company's claim of inland transportation costs-factory-to-distribution warehouse, pre-sale storage costs, factory loading and unloading fees and other related costs, credit fees, commissions, freight charges, transportation insurance and other adjustment claims.

## **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, in the preliminary ruling, the investigation authority decided to temporarily accept the company's claim of inland transportation costs-factory to distribution warehouse, pre-sales warehousing costs, inland transportation - factory/warehouse to export port, factory loading and unloading charges, etc., international transport costs, international transport insurance premiums, credit costs, etc. Adjustment claims.

### **4 About the onshore price (CIF price).**

After review, the investigation authority in the preliminary ruling decided to temporarily accept the company's onshore price data.

#### **Daitshaw Denmark Limited**

#### **(DAT-Schaub A/S)**

### **1. The normal value.**

The investigation authority initially reviewed the classification of the company's products under investigation and similar products. After a preliminary examination, the investigation authority decided to accept the method of internal model division in the preliminary ruling.

During the dumping investigation period, the company exported two models to China, Model 1 and Model 2. The investigator conducted a preliminary review of the company's sales in the EU. During the dumping investigation period, the company sold only Model 2 products in the EU, and its sales accounted for the proportion of the company's exports to China of the products under investigation and the proportion of the company's exports to China of the products under investigation are less than 5%. In accordance with the provisions of Article 4 of the Anti-Dumping Regulations, for Model 2, the preliminary investigation machine decided to temporarily determine its normal value according to the method of the normal value of the structure.

The investigation authority initially reviewed the production costs, costs and related supporting documents submitted by the company and decided to accept the reported cost data provisionally. With regard to production costs, after review, the investigation agency found that the company has to purchase some of the main raw materials from the related party, the questionnaire clearly requires the company to provide related raw materials when the production costs and costs of related raw materials should be provided, but the company did not comply with the request of the question volume to provide relevant information, in the case of the investigation authority issued a supplementary question volume on this issue, the company did not provide relevant information, but only explained that its purchase of raw materials is market behavior. In this regard, the investigation authority believes that for the main raw materials, the company all self-affiliated companies purchase, the production cost and cost information of the associated company for the examination of whether the related procurement transaction is a market behavior, can reflect the market price is very important, is necessary investigation information, the company in the supplementary questionnaire explanation only put forward the relevant claims, but did not provide evidence support for its claims. As a result, the investigating authority decided not to accept the explanations provided by the company in the supplementary responses and the production cost data it submitted in the responses. Since the company did not provide the necessary investigative information in the questionnaire or in the supplementary questionnaire, the investigating authority decided to decide on the basis of the facts and the best available information in accordance with article 21 of the Anti-Dumping Regulations. In the preliminary ruling, the investigation authority decided to provisionally adopt the average of the production costs of the corresponding models of its EU-related manufacturers close

to the sales price of Model2products as the production cost of the specific model product.

In the preliminary ruling, the investigating authority decided to determine its normal value on the basis of the production costs, costs and profit margins of its affiliated producers in the EU in the normal course of trade within the EU.

For the normal value determination method of company model1products, see paragraph4of the outgoing price section below.

## **2. The export price.**

The investigation agency initially examined the company's exports of the products under investigation to China.During the dumping investigation period, some of the company's export transactions are resold to non-affiliated customers in China through the EU affiliated company, and some export transactions are first exported through the EU affiliated company to an affiliated company in China, and then resold to China's non-affiliated customers.In accordance with the provisions of Article 5 of the Anti-Dumping Regulation, for export transactions sold through EU affiliated companies to non-affiliated customers in China, the investigation authority decided to temporarily use the sales price between the EU affiliated company and China's non-affiliated customers as the basis for determining the export price;For export transactions where the EU affiliated company is exported to an affiliated company in China and then resold to a non-affiliated customer in China, the investigation authority decided to temporarily adopt the structured export price method, using the sales price between the affiliated company in China and China's non-affiliated customers as the basis for determining the export price.

In addition, the company also through the Hong Kong affiliated company in the form of material processing to ship the model1to the Chinese related processing enterprises for entrusted processing, and the Chinese related processing enterprises are processed and then exported to Hong Kong affiliates.The company asserts that the ownership of the goods throughout the process has always belonged to the company, the company does not issue invoices to China's associated processing enterprises, Chinese related processing enterprises do not pay any money or fees to the company, the company will pay processing fees to the Chinese related processing enterprises, such processing does not belong to the export sales, should not be included in the dumping margin calculation scope.

The applicant commented that according to the relevant laws and regulations of China and the practice of the General Administration of Customs, whether imported products under general trade or under processing trade (including feed processing and incoming processing) are imported goods;Boththe WTO Anti-Dumping Agreement and the EU's anti-dumping practices require the investigating authorities to include imports under processing trade such as incoming processing when calculating the margin of dumping and assessing or reviewing the amount of dumped imports.

After examination, the investigation authority believes that the company in the supplementary reply submitted the corresponding goods import declaration certificate documents, part of the goods are handled by Chinese customs as imported goods, the corresponding goods have actually entered the territory of China and used in the production of downstream products.In the preliminary ruling, the investigation authority decided to temporarily include this part of the export in the scope of dumping investigation.Due to the relationship between the company and the Hong Kong affiliates and the Chinese related processing enterprises, and the production of related raw materials in the EU (see paragraph3of the normal value of the company's ruling), the investigating authority decided to determine the dumping margin of this part's exports temporarily on the basis of the average of the dumping margin of the othertwoEU affiliated manufacturers to export type1by import processing enterprises in China in this case.The normal value and export price as determined by the margin of dumping, the adjustment

item and the CIF price are also determined accordingly, and the rest of the award will not be repeated.

### **3. Adjustment of prices.**

In accordance with the provisions of Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison, the investigation authority reviewed the adjustment items affecting price comparability of the company one by one.

#### **(1) The normal value part.**

With regard to the adjustment project of normal value, after preliminary examination, in the preliminary ruling, the investigation authority decided to temporarily accept the company's claim of inland transportation costs-factory to distribution warehouse, pre-sale storage costs, factory loading and unloading fees and other related costs, credit costs, etc. Adjustment claims.

#### **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, in the preliminary ruling, the investigation authority decided to temporarily accept the company's claim of inland transportation costs-factory-to-distribution warehouse, pre-sale storage costs, factory loading and unloading charges and other related costs, international transport costs, international transport insurance premiums, import customs duties, import customs charges, credit charges, and the items he needs to adjust.

With regard to the indirect costs of Chinese affiliated companies, the investigation authority decided to temporarily make supplementary adjustments based on the company's response data. With regard to the profits of affiliated companies in China, the Department advocates that the cost of procurement and related direct sales costs be calculated according to the sales price. The investigation authority believes that the company advocates the use of the procurement cost as the related purchase price, the company advocates the method will lead to the calculated profit is affected by the correlation relationship, the investigation authority reviewed the profit sheet provided by the company in the financial report, and selected the profit margin that can reflect the normal operating conditions of the company to be adjusted.

### **4. About the onshore price (CIF price).**

After review, the investigation authority in the preliminary ruling decided to temporarily accept the company's onshore price data.

#### **Detcho Spain Limited**

#### **(DAT-Schaub Spain S.L.U.)**

##### **1) Normal value.**

The investigation authority initially reviewed the classification of the company's products under investigation and similar products. After a preliminary examination, the investigation authority decided to accept the method of internal model division in the preliminary ruling.

The investigator conducted a preliminary review of the company's sales in the EU. During the dumping investigation period, the company exported to China a number of models of the products under investigation, the company sold only one of the specific products in the EU, the number of sales in the EU accounted for the proportion of the company's exports to China the number of products under investigation during the same period, and the proportion of the company exported to China the number of products under investigation are more than 5%. In accordance with the provisions of Article 4 of the Anti-Dumping Regulation, for this model, the preliminary investigation aircraft decided to temporarily rely on the sale of the model within the EU as the basis for determining the normal value. For other models not sold in the EU, the investigating authority in the



preliminary ruling decided to use the method of structural normal value to determine the normal value.

The investigation authority initially reviewed the company's affiliated transactions. According to the questionnaire, during the dumping investigation period, the company only sells to associated customers within the EU for one type of product sold in the EU. In the preliminary ruling, the investigating authority decided to temporarily use the normal value of the structure to determine its normal value.

The investigation authority initially reviewed the production costs, costs and related supporting documents submitted by the company and decided to accept its reported production cost and cost data provisionally. For the company's exports to China of a number of products subject to investigation, since there is no normal trade process sales within the EU, the preliminary investigation authority decided to determine its normal value on the basis of its production costs, fees and profit margins realized by its EU-affiliated producers in the course of normal trade within the EU.

#### **(B) Export prices.**

The investigation authorities reviewed the company's exports of the products under investigation to China. During the dumping investigation period, the company exported the products under investigation to China in three ways: One is to resell to non-affiliated customers in China through EU affiliates; The second is to sell directly to non-affiliated customers in China; The third is to sell to Hong Kong affiliated companies, and then the material processing method will be shipped to China's related processing enterprises for commissioning additional work (specific content and comments and comments with Daitshaw Denmark Limited, see paragraphs 2-4 of its decision export price section, no longer recounted here). In accordance with the provisions of Article 5 of the Anti-Dumping Regulation, the investigation authority decided to temporarily use the sales price between the EU affiliated company and China's unaffiliated customers as the basis for determining the export price; For the two above channels, the investigation authority decided to temporarily use the sales price between the company and China's non-affiliated customers as the basis for determining the export price; For the above three channels, due to the relationship between the company and the Hong Kong affiliated company and the China-related processing enterprises, the investigation authority decided to temporarily use the Department's sales price for export of a certain type of product by import processing to China's non-affiliated processing enterprises as the basis for determining the export price of this part. The adjustment project involving this part of the export and the CIF price are also determined on the basis of the company's data on the import processing of a certain type of product, and the other parts of the ruling will not be repeated.

#### **3. Adjustment of the project.**

In accordance with the provisions of Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison, the investigation authority reviewed the adjustment items affecting price comparability of the company one by one.

##### **(1) The normal value part.**

With regard to the normal value adjustment project, after preliminary examination, the investigation authority decided in the preliminary ruling to accept the adjustment proposition of inland transport - factory/warehouse to customer, credit costs, etc.

##### **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, in the preliminary ruling, the investigation authority decided to temporarily accept the adjustment of inland transport-factory/warehouse to the port of export, international transport costs, international transport insurance, port loading and unloading charges, credit charges, customs brokerage fees, and other items requiring adjustment.

**About the onshore price (CIF price).**

After review, the investigation authority in the preliminary ruling decided to temporarily accept the company's onshore price data.

**Detshaw France Limited  
(DAT-Schaub France S.A.S.)**

**1. The normal value.**

The investigation authority initially reviewed the classification of the company's products under investigation and similar products. After a preliminary examination, the investigation authority decided to accept the method of internal model division in the preliminary ruling.

The investigating authority initially examines the company's sales in the EU. During the dumping investigation period, the company has no sales within the EU. In accordance with the provisions of Article IV of the Anti-Dumping Regulations, the preliminary investigation authority decided to use provisionally the method of structural normal value to determine the normal value.

The investigation authority initially reviewed the production costs and related supporting documents submitted by the company and decided to accept its reported production cost data provisionally. With regard to fees and profit rates, since the company does not have similar products for sale in the EU, the preliminary investigation mechanism decided to temporarily adopt data on the cost of selling similar products in the EU by other EU affiliated manufacturers with the same type of products sold in the EU, as well as the profit margin achieved by their EU affiliated producers in the normal course of trade within the EU.

**2. The export price.**

The investigation agency initially examined the company's exports of the products under investigation to China. During the dumping investigation period, the company exported the products under investigation to China in two ways: The first is to sell directly to non-affiliated customers in China; The second is to ship a certain type of product to China's related processing enterprises for entrusted processing (specific content and comments with Detshaw Denmark Co., for details, see paragraphs 2-4 of its award export price, no longer recounted here). In accordance with the provisions of Article 5 of the Anti-Dumping Regulations, for channel I above, the investigating authority decided to temporarily use the sales price between the company and China's non-affiliated customers as the basis for determining the export price; For the above channel two, due to the relationship between the company and the Hong Kong affiliates and the Chinese related processing enterprises, the investigation authority decided to temporarily use the company's sales price for export of a certain type of product by import processing to China's non-affiliated processing enterprises as the basis for determining the export price of this part. The adjustment items involved in this part of the export and the CIF price are also determined on the basis of the company's data on the import processing of a certain type of product, and the rest of the ruling will not be repeated.

**3. Adjustment of prices.**

In accordance with Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison,

The inspection authorities reviewed the company's adjustment projects affecting price comparability one by one.

**(1) The normal value part.**

During the dumping investigation period, the company does not have sales of similar products in the EU. In its responses, the Division advocated the determination of adjustment projects of positive structural value based on the adjustment project of export

sales transactions. In the preliminary ruling, the investigative body decided to accept the claim temporarily.

## **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, in the preliminary ruling, the investigation authority temporarily decided to accept the company's claim of inland transportation - factory / warehouse to the port of export, factory loading and unloading fees and other related costs, international transportation costs, credit costs and other adjustments.

## **4. About the onshore price (CIF price).**

After review, the investigation authority in the preliminary ruling decided to temporarily accept the company's onshore price data.

The sample exporter VionBoxtel B.V. and its affiliated manufacturers VIONGroenlo B.V. and VionApeldoorn B.V. both exported products to China during the dumping investigation period, and the investigation authority intended to determine the dumping margin of the respective companies at the time of the preliminary decision, and then calculated the dumping margin of the associated producers based on the average weighted weight of each company's exports.

### **Vijan Bockster Limited (VION Boxtel B.V.)**

#### **1 ...Normal value.**

The investigation authority initially reviewed the classification of the company's products under investigation and similar products, and the investigation authority decided to classify the company's internal models in the preliminary ruling.

The investigative authorities have initially examined the company's sales in the EU. During the dumping investigation period, the number of intra-EU sales of all models of the company accounted for more than 5% of the number of products under investigation exported to China during the same period, in line with the quantity requirements for determining the normal value. The investigation authority further reviewed the sub-model sales in the EU. During the dumping investigation period, the number of EU sales of some of the company's models accounted for more than 5% of the number of surveyed products exported to China during the same period, and the number of other models in the EU sales accounted for less than 5% of the number of products exported to China during the same period. In accordance with Article 4 of the Anti-Dumping Regulation, for models that meet the quantitative requirements, the investigation authority decided to temporarily adopt sales in the EU of the model corresponding to China's export sales model as the basis for determining its normal value; For other models that do not meet the required quantity, the investigating authority decided to temporarily use the Structure Normal Value method to determine its normal value.

The investigation authority initially reviewed the company's affiliated transactions. During the dumping investigation period, some of the company's models of similar products within the EU related sales price and non-associated sales price there are significant differences, the correlation relationship affects the price, can not reflect the normal trading process, the investigation authority in the preliminary ruling decided temporarily to the company to sell to non-affiliated customers price as the basis for determining the normal value. Some models of similar products are only related to sales in the EU, and the investigation organs in the preliminary ruling temporarily adopt the structural normal value method to determine their normal value. There is no significant difference in the related sales price and non-associated sales of some models, which can reflect the normal trade process, and the investigation authority decided in the preliminary ruling to use all sales of these models as the basis for determining the normal value.

The investigation authority initially reviewed the production costs, costs and related supporting documents submitted by the company. With regard to production costs, the company did not provide a specific way of apportionment such as direct material costs and human costs, nor did it provide supporting documentation of the reasonableness of the relevant sharing methods, so the investigation authority decided not to accept the company's cost-sharing form. Based on the data reported by the company, the investigating authority decided to re-share the production costs of each model based on its reported export sales and the ratio of sales of each type sold in the EU and third countries. With regard to the situation of sales, management and financial costs, the investigation authority reviewed the relevant data in the responses and decided to accept the company's main post for the time being.

The investigation authority tested whether the company's products under investigation were sold below cost in the EU on the basis of the adjusted production costs and the sales, management and financial costs reported by the company. After review, during the dumping investigation period, the number of company-related models sold below cost in the EU accounted for more than 20% of the number of sales in the EU, and the proportion of other models did not exceed 20%. Article 4 of the Anti-Dumping Regulation stipulates that for models sold below cost of more than 20%, the investigating authority decided to temporarily exclude sales in the EU that are below cost sales as the basis for determining the normal value. For models sold less than 20% below cost, the investigating authority decided to temporarily use all EU sales as the basis for determining the normal value.

For sub-models that do not exist in the normal trading process of the company in the EU market, the investigating authority decides to determine the normal value of the corresponding model on the basis of the adjusted relevant models, fees and profit margins realized by the company in the normal course of trade within the EU.

## **2 ... Export prices.**

The investigation agency initially examined the company's exports of the products under investigation to China. During the dumping investigation period, the company exports the products under investigation to non-affiliated customers in China through its EU affiliated traders. In accordance with the provisions of Article 5 of the Anti-Dumping Regulation, the investigating authority decided in the preliminary ruling to accept the company's claims, using the sales price of its EU affiliated traders to non-affiliated customers in China as the basis for determining the export price.

## **3 ... Adjustment of the project.**

In accordance with the provisions of Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison, the investigation authority reviewed the adjustment items affecting price comparability of the company one by one.

### **(1) The normal value part.**

With regard to the normal value adjustment project, after preliminary examination, the investigating authority decided to accept the company's claims of early payment discounts, other discounts, refunds and compensation, inland transportation charges - factory to distribution warehouse, inland freight - factory-to-customer, inland insurance, packaging costs, credit charges, commissions, etc. Adjustment claims.

### **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, in the preliminary ruling, the investigation authority decided to temporarily accept the company's claims for refunds and compensation, inland transportation costs - factory to distribution warehouse, inland insurance, packaging costs, pre-sales storage costs, international freight costs, international transport insurance, credit fees, commissions,

export inspection fees, customs agents, etc. Adjustment claims.

#### **4 About the onshore price (CIF price).**

After review, the investigation authority decided to temporarily accept the onshore price data reported by the company at the time of the preliminary decision.

**Viyan Heronlo Ltd.**

**(VION Groenlo B.V.)**

##### **1. The normal value.**

The investigation authority initially reviewed the classification of the company's products under investigation and similar products, and the investigation authority decided to classify the company's internal models in the preliminary ruling.

The investigative authorities have initially examined the company's sales in the EU. After review, during the dumping investigation period, the number of sales in the EU of all models of the company accounted for more than 5% of the number of products under investigation exported to China during the same period to meet the requirements for determining the normal value of the quantity. The investigation authorities further reviewed the sales in the EU by sub-model, some of the company's models in the EU sales accounted for more than 5% of the number of surveyed products exported to China during the same period, and the number of other models in the EU sales accounted for less than 5% of the number of surveyed products exported to China during the same period. In accordance with Article 4 of the Anti-Dumping Regulation, for models that meet the quantitative requirements, the investigating authority decided to temporarily adopt sales in the EU of models corresponding to the models exported by China as the basis for determining their normal value; For other types that do not meet the quantitative requirements

The investigative authority decided to temporarily use

The value.

The investigation authority initially reviewed the company's affiliated transactions. During the dumping investigation period, some models of similar products are only related to sales in the EU, and the investigation machine temporarily adopts the structure normal value method to determine its normal value. Other types of similar products only have non-related sales, the investigation authority decided in the preliminary ruling to temporarily use the company's sale price to non-affiliated customers as the basis for determining the normal value.

The investigation authority initially reviewed the production costs, costs and related supporting documents submitted by the company. With regard to production costs, the company did not provide a specific way of apportionment such as direct material costs and human costs, nor did it provide supporting documentation of the reasonableness of the relevant sharing methods, so the investigation authority decided not to accept the company's cost-sharing form. Based on the data reported by the company, the investigation authority decided to re-share the production costs of each model based on its reported export sales and the ratio of sales of each model sold in the EU. With regard to sales, management and financial costs, the investigation authority reviewed the relevant data in the responses and decided to accept the company's claims for the time being.

The investigation authority tested whether the company's products under investigation were sold below cost in the EU on the basis of the adjusted production costs and the sales, management and financial costs reported by the company. After review, during the dumping investigation period, the company's related product models in the EU are below cost sales, the investigation authority decided to temporarily adopt the normal value method of construction to determine its normal value. Since the company does not have normal trading process sales in the EU market, in the preliminary ruling, the investigating authority decided to determine the normal value of the corresponding model based on the adjusted production costs, costs and the profit rate realized by its associated EU producers in the normal course of trade within the EU.

## **2. The export price.**

The investigation agency initially examined the company's exports of the products under investigation to China. During the dumping investigation period, the company exports the products under investigation to non-affiliated customers in China through its EU affiliated traders. In accordance with the provisions of Article 5 of the Anti-Dumping Regulation, the investigating authority decided in the preliminary ruling to accept the company's claims, using the sales price of its EU affiliated traders to non-affiliated customers in China as the basis for determining the export price.

## **3. Adjustment of prices.**

In accordance with the provisions of Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison, the investigation authority reviewed the adjustment items affecting price comparability of the company one by one.

### **(1) The normal value part.**

With regard to the normal value adjustment project, after preliminary examination, in the preliminary ruling, the investigating authority decided to accept the company's claim of the internal land freight-factory-to-distribution warehouse, inland insurance premiums, packaging costs, credit fees, commissions, etc. Adjustment claims.

### **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, in the preliminary ruling, the investigation authority decided to temporarily accept the

company's claims for refunds and compensation, inland transportation costs - factory to distribution warehouse, inland insurance, packaging costs, pre-sales storage costs, international freight costs, international transport insurance, credit fees, commissions, export inspection fees, customs agents, etc. Adjustment claims.

#### **4. About the onshore price (CIF price).**

After review, the investigation authority decided to temporarily accept the company's onshore price data at the time of the preliminary ruling.

#### **Vijan Apeldorón Limited (VION Apeldoorn B.V.)**

##### **1 ...Normal value.**

The investigation authority initially reviewed the classification of the company's products under investigation and similar products, and the investigation authority decided to classify the company's internal models in the preliminary ruling.

The investigative authorities have initially examined the company's sales in the EU. After review, during the dumping investigation period, the number of sales in the EU of all models of the company accounted for more than 5% of the number of products under investigation exported to China during the same period to meet the requirements for determining the normal value of the quantity. The investigation authorities further reviewed the sales in the EU by sub-model, some of the company's models in the EU sales accounted for more than 5% of the number of surveyed products exported to China during the same period, and the number of other models in the EU sales accounted for less than 5% of the number of surveyed products exported to China during the same period. In accordance with Article 4 of the Anti-Dumping Regulation, for models that meet the quantitative requirements, the investigating authority decided to temporarily adopt sales in the EU of models corresponding to the models exported by China as the basis for determining their normal value; For other models that do not meet the quantitative requirements, the investigating authority decided to use the structural normal value method to determine its normal value for the time being.

The investigation authority initially reviewed the company's affiliated transactions. During the dumping investigation period, the company's relevant models of similar products in the EU are only related sales, the preliminary ruling investigation authority decided to temporarily determine that the related sales do not reflect the normal trade process, using the structure normal value method to determine its normal value.

The investigation authority initially reviewed the production costs, costs and related supporting documents submitted by the company. With regard to production costs, the investigation authority decided not to accept the company's cost-sharing method because the company did not provide a specific way of apportionment such as direct material costs and labor costs, nor did it provide evidence of the reasonableness of the relevant sharing methods. Based on the data reported by the company, the investigation authority decided to re-share the production costs of each model based on its reported export sales and the ratio of sales sold in the EU. With regard to sales, management and financial costs, the investigation authority reviewed the relevant data in the responses and decided to accept the company's claims for the time being.

Since the company does not have normal trading process sales within the EU, the preliminary investigation authority decided to determine its normal value on the basis of the production costs, costs of the relevant models and the profit rate realized by its EU-related producers in the normal course of trade within the EU. For some models whose production costs are not reported by the company, the preliminary investigation authority decided to use the normal value of the same or approximate model products of its affiliated manufacturer in the EU to determine the normal value of this model product.

## **2 ... Export prices.**

The investigation agency initially examined the company's exports of the products under investigation to China. During the dumping investigation period, the company exports the products under investigation to non-affiliated customers in China through its EU affiliated traders. In accordance with the provisions of Article 5 of the Anti-Dumping Regulation, the investigating authority decided in the preliminary ruling to accept the company's claims, using the sales price of its EU affiliated traders to non-affiliated customers in China as the basis for determining the export price.

## **3 ...Adjustment of the project.**

In accordance with the provisions of Article 6 of the Anti-Dumping Regulations, for fair and reasonable comparison, the investigation authority reviewed the adjustment items affecting price comparability of the company one by one.

### **(1) The normal value part.**

With regard to the normal value adjustment project, after preliminary examination, the investigating authority decided to temporarily accept inland transportation - factory to distribution warehouse, inland insurance premiums, packaging costs, credit fees, commissions and so on.

### **(2) Part of the export price.**

With regard to the adjustment of export prices, after preliminary examination, the investigation authority decided in the preliminary ruling to accept refunds and compensation, inland transport-to-distribution warehouses, pre-sales storage fees, inland insurance, packaging costs, international transport costs, international transport insurance, port loading and unloading charges, credit charges, customs declaration agent fees, export inspection fees, commissions and other adjustment claims.

## **4 About the onshore price (CIF price).**

After review, the investigation authority decided to temporarily accept the company's onshore price data at the time of the preliminary ruling.

### **Other EU producers cooperating with the investigation**

The Coplysin Group of France voluntarily submitted the questionnaire of foreign exporters or producers on schedule and applied for a separate determination of the margin of dumping. Taking into account that the investigative authorities have individually reviewed the questionnaires and determined dumping margins for the three sample EU exporters, and that a separate review of the responses for the French Copleysin Group would place an excessive burden on the investigative authorities and hinder the timely completion of the investigation, the investigating authority decided not to review the company's responses separately.

During the dumping investigation period, a number of EU producers such as FRIGORIFICOS COSTA BRAVAS.A. exported the products under investigation to China, submitted the relevant information on registration to participate in the investigation, but were not selected as a sample enterprise, according to the Anti-Dumping Regulations and the Ministry of Commerce's "Provisional Rules for Anti-Dumping Investigation Sampling", the investigation authority decided to temporarily determine the dumping margin of these companies on the basis of the average dumping margin of the three EU exporters.

### **Other EU companies**

On June 17, 2024, the investigation authority launched an anti-dumping investigation into imports of pork and pork by-products originating in the EU. On the same day, the investigation authority notified the EU delegation in China and notified the EU enterprises listed in the application for the filing of the case. The investigation authority will publish the case announcement on the website of the Ministry of Commerce, and any



interested parties can consult this case filing announcement on the website of the Ministry of Commerce. After the filing of the case, the investigation authority gives each interested party 20 days to register to participate in the investigation period, and all interested parties are given a reasonable time to be informed of the case. After the filing of the case, the investigation machine posted the questionnaire on the website of the Ministry of Commerce, and any interested party may consult and download the questionnaire on the website of the Ministry of Commerce.

The investigating authority informs all known stakeholders to the fullest extent of its ability, and reminds all known stakeholders of the consequences of failure to cooperate with the investigation.

For companies where the investigating authority has exhausted its obligation to notify but does not provide the necessary information to cooperate with the investigation, the investigating authority determines its dumping margin on the basis of the facts already obtained and the best information available, in accordance with the provisions of Article 21 of the Anti-Dumping Regulations. The investigating authority compares the information obtained during the investigation and, after preliminary verification, decides to determine the dumping margin of other EU companies on the basis of the application data.

### **(2) Comparison of prices.**

According to the provisions of Article 6 of the Anti-Dumping Regulations, the investigation authority, taking into account various comparability factors affecting prices, adjusts the normal value and export price to the factory level in a fair and reasonable way. In calculating the dumping margin, the investigating authority compared the weighted average normal value and the weighted average outlet price to arrive at the margin of dumping.

### **(3) The margin of dumping.**

The margin of dumping for the preliminary determinations of the companies is calculated in annex 2.

Similar domestic products, domestic industry

In accordance with Article 7 of the Anti-Dumping Regulations, the investigation authority, in conjunction with the Ministry of Agriculture and Rural Affairs, investigated the domestic industrial damage in this case.

### **(1) Recognition of similar domestic products.**

Article 12 of the Anti-Dumping Regulations stipulates that similar products are the same products as dumped imported products, or products with the most similar characteristics to dumped imported products.

The investigation authorities investigated factors such as materialization characteristics, raw materials and production processes, product use, sales channels, customer groups and consumer evaluations related to domestic production of pork and pork by-products and imported products:

#### **1. Product quality.**

Related pork and pork by-product quality can be judged from perceptual indicators (such as color, tenderness, smell, etc.), physiochemical indicators and food safety indicators (agricultural residuals, medicinal residues, microbiological and pathogenic bacteria testing, etc.). Survey evidence shows that relevant pork and pork by-products produced by domestic enterprises have bright red or deep red color, glossy, no odor, tightness, solid sense, no visible impurities, and dumping imported products of the physical and chemical indicators and food safety indicators have all reached China's food safety standards, the two can be effectively controlled in agricultural residuals, medicinal residues, microorganisms and pathogens. The related pork and pork products produced by domestic enterprises have been widely recognized by consumers. Evidence shows that

domestically produced and processed pork and pork by-products are not substantially different in quality from dumped imports and can replace each other.

## **2. Breeds and breeding.**

Domestic pig breeds raised by pork and pig by-product industries include but are not limited to Durock pigs, long white pigs, large white pigs and other varieties and their hybrid varieties (also known as "external three yuan pigs", produced by Durock pigs, long white pigs, large white pigs three pig hybrids), and dumped imported products in pig breeds are basically the same, and the breeding party type is basically the same.

## **Production equipment and processing processes.**

Domestic pork and pork by-product production enterprises introduced slaughter and segmentation production lines in Germany and South Korea, for the international first-class production equipment, using the most advanced low-temperature two-stage acid discharge process and carbon dioxide asphyxiation technology. Domestic production of related pork and pig by-products and dumped imported products is basically the same production and processing process, the main process includes live pigs flushing → haloing → blood loss → go to hair folding sternum cesarean section → take internal organs → lower head to half - inspection → go to head and hoofs, etc. → cooling (cold freezing) → splitting packaging and so on.

## **4. Consumption areas and uses.**

The main purpose of domestically produced pork and pork by-products and dumped imported products is for human consumption. Products are generally directed directly or indirectly to consumers through wholesale or retail methods such as farmers' markets, supermarkets, or through channels such as catering and processing enterprises.

## **Sales channels and customer groups.**

Related pork and pork by-products produced by domestic enterprises are mainly sold through direct sales or agents in various domestic markets. Dumped imported products are also mainly imported through direct sales or agents, and after entering the Chinese market by sea, through logistics sales in the domestic market. Domestically produced pork and pork by-products and dumped imported products have the same or overlapping nature in the sales mode and geographical distribution, and some consumer groups are overlapping, consumers both purchase and use dumped imported products, but also buy and use domestically produced pork and pork byproducts, the two have a competitive relationship.

In combination with the above factors, the investigation agency initially determined that the relevant domestic pig meat and pig by-products and dumped imported products are basically the same in terms of sensory projects, product quality, pig varieties, production processes, consumption fields and uses, sales channels and customer groups, etc., and have similarities and comparability, and can be replaced with each other. Therefore, domestically produced pork and pork by-products and dumped imports are among the same products.

## **(2) Domestic industry recognition.**

In accordance with the provisions of Article 11 of the Anti-Dumping Regulations on domestic industry determination, the investigation authority reviewed and determined the domestic industry in this case. According to statistics of the Ministry of Agriculture and Rural Affairs, between 2020 and 2023, there are 5,000-6,000 pig slaughtering enterprises, which are all producers of similar products in China and constitute the domestic industry. As mentioned earlier, in view of the large number of domestic producers, in order to complete the investigation in a timely manner, the investigation bodies conducted a sample survey. After considering the representation of production scale and geographical distribution, the survey agency selected 24 domestic production enterprises as sample enterprises. Among them, 22 enterprises submitted the questionnaire



**in the domestic industry.**

The investigation authorities investigated the impact of dumped imports on the prices of similar products in the domestic industry.

As mentioned earlier, the investigating authorities divide the dumping of imported products into seven categories, and the Chinese customs duty code is the pig white bar / carcass (tax codes 02031110, 02031190, 02032110 and 02032190), boned pig front legs, pig hind legs and their meat (tax codes 02031200 and 02031200), and other pork (tax codes 02031900 and 02032900), fat pork without lean meat that is not refined or otherwise extracted, pork fat (tax No. 02091000), salted pig bowel (Tax No. 05040011), pig liver (Tax No. 02064100), and other pig fragments (tax code number 02064100).

When making price comparisons, in order to ensure their comparability, the dumped import price and the price of similar products in the domestic industry should be compared at the same level of trade. The investigation agency preliminarily determined that the domestic import customs clearance price of dumped imported products and the factory prices of similar products in the domestic industry basically belong to the same level of trade, neither of which includes VAT, inland transportation costs, insurance costs and secondary sales channel fees. On the basis of the CIF price of dumped imported products in China customs statistics, the investigation authority further considered the damage to the exchange rate, tariff rate and importer's customs clearance fees during the investigation period, adjusted the price of dumping imported products of various specifications, the adjusted price as the price of dumped imported products.

Among them, the exchange rate is based on the average monthly exchange rate arithmetic announced by the People's Bank of China for the year. The tariff rate is calculated according to the rate established by the import and export taxes of the People's Republic of China. From 2020 to 2023, the tariff rate on white bars/carcass and other pigs imported from the EU is 12%; The tariff rate for boned pigs' front legs, pig hind legs and meat and other pork meats is 8% for 2020-2021 and 12% in 2022 -2023. Fat pork without lean meat, pork fat, salted pigs (except for the head of the pig's large intestine) and liver tariff rate of 20%. With regard to import customs clearance costs, a total of three domestic importers submitted responses, including two related public company Dennis Crown Foods (China) Co., Ltd. and Isfu Heng Foods (Shanghai) Co., Ltd., as well as Beijing Beautiful Foods Co., Ltd., an affiliate of Coplexin Group in France. The investigation authorities temporarily rely on the average customs clearance costs of these three domestic importers during the dumping investigation period of 279.20 yuan/ ton, as the basis for calculating import customs clearance costs.

The investigation authorities use the weighted average price of the factory price of 25 domestic manufacturers submitted to the "domestic producer questionnaire" as the domestic industry and the specification product price.

**(1) Pig white bar / carcass import price and domestic industry and specification product prices.**

From 2020 to 2022, the import price of pig white bars / carcass is 19,349.92 yuan/ton, 14,756.41 yuan/ton and 166,115.68 yuan/ ton, and the import volume in 2023 is 0. Among them, in 2021, down 23.74% from the previous year, and an increase of 1025.72% in 2022 over the previous year, showing a first decline and an overall growth trend.

From 2020 to 2023, the price of domestic industry and specification products will be 37,656.93 yuan/ton, 21,554.52 yuan/ton, 22,209.54 yuan/ ton and 17,205.28 yuan /ton. Among them, in 2021, a 42.76% decline from the previous year, an increase of 3.04% in 2022, a decrease of 22.53% in 2023 compared with the previous year, and the price at the end of the survey period is 54.31% lower than the beginning of the period, showing a volatile downward trend.

**The import price of bone pig front legs, pigs hind legs and meat pieces and domestic industry with the same specifications.**

From 2020to2023, the import price of bone pig front legs, pig hind legs and meat pieces will be 18,611.27yuan/ton, 17,870.31yuan/ton, 15,732.27 yuan/ ton and 16,926.54 yuan/ton respectively. Among them, in2021and2022compared with the previous year, the decline was3.98 per centand11.96 per cent respectively, an increase of 7.59 per cent in 2023compared with the previous year, but9.05%lower than the opening price, showing an overall downward trend.

From 2020to2023, the price of domestic industry and specification products will be 35,510.64 yuan/ton, 22,930.87yuan/ton, 21,596.27 yuan/ tonand 19,792.38 yuan /ton. Among them, from2021to2023compared with the previous year, the decline was35.43 per cent, 5.82%and 8.35per cent, respectively, showing a continuing downwardtrend.

**Other pork import prices and domestic industry prices of similar specifications.**

From 2020to2023, other pork imports are 22,523.72yuan /ton, 20,856.41yuan/ton, 17,885.37 yuan/ton and 19,153.44 yuan/ton respectively. Among them, in2021and2022compared with the previous year, the decline was7.40% and14.25 per cent, respectively, an increase of7.09% in 2023compared with the previous year, but14.96 per centlower than the opening price, showing an overall downward trend.

From 2020to2023, the price of domestic industry and specification products will be 36,668.26 yuan/ton, 26,569.14yuan/ton, 25,237.95 yuan/ tonand 24,387.19 yuan /ton. Among them, from2021to2023compared with the previous year, the decline was27.54 per cent, 5.01 per centand 3.37%, respectively, showing a continuing downwardtrend.

**The import price of fat pork without lean meat, pork fat import price and domestic industry with the same specifications.**

From 2020to2023, the import prices of fat pork without lean meat and pork fat that are not refined or extracted by other methods will be 13,151.03yuan/ton, 14,539.38 yuan/ton, 11,768.96yuan/ton and 13,614.39yuan/ton respectively. Among them, in2021, an increase of10.56 percent over the previous year, down19.05% in 2022, an increase of15.68 percent in 2023over the previous year, and the price at the end of the surveyperiod was3.52% higher than at the beginning of the period, showing a volatile growth trend.

From 2020to2023, the price of domestic industry and specification products will be 16,287 yuan/ ton, 11,360.06yuan/ton, 10,000.81 yuan/ton and 8,460.86 yuan / ton. Among them, from2021to2023compared with the previous year, the decline is30.25 per cent, 11.97 per centand 15.40%, showing a continuous downwardtrend.

**Salted pig intestinal clothing (except pig head) import price and domestic industry with the same specifications.**

From 2020to2023, the import price of salted pigs is 24,907.59yuan/ton, 23,695.07yuan/ton, 26,925.47 yuan/ton and 32,143 yuan /ton respectively. Among them,2021decreased by 4.87 per cent from the previous year, in 2022and 2023compared with the previous yearby 13.63% and19.38%,respectively, the end price of the survey period was 29.05% higher than at the beginning of the period, showinga decline and an overall growth trend.

From 2020to2023, the price of domestic industry and specification products will be 39,733.66 yuan/ton, 28,667.34yuan/ton, 23,802.74 yuan/ tonand 20,763.90 yuan /ton. Among them, from2021to2023compared with the previous year, the declineis 27.85%, 16.97%and 12.77%, showing a continuous downwardtrend.

**The import price of pig liver and the domestic industry and the price of the same specification products.**

From 2020 to 2023, the import price of pig liver is 8,562.67 yuan/ton, 7,857.65 yuan/ton, 8,738.07 yuan/ton and 10,097.03 yuan/ton. Among them, 2021 fell 8.23 percent from the previous year, 2022 and 2023 compared with the previous year by 11.20% and 15.55%, respectively, the price at the end of the survey period was 17.92% higher than at the beginning of the period, showing a decline and an overall growth trend.

From 2020 to 2023, the price of domestic industry and specification products will be 17,929.83 yuan/ton, 8,237.97 yuan/ton, 7,787.62 yuan/ton and 5,612.95 yuan/ton. Among them, from 2021 to 2023 compared with the previous year, the decline is 54.05 percent, 5.47 percent and 27.92 percent, showing a continuing downward trend.

**The import price of other pigs and domestic industry with the same specifications.**

From 2020 to 2023, the import price of other pigs is 16,955.04 yuan/ton, 17,627.88 yuan/ton, 19,404.03 yuan/ton and 20,346.34 yuan/ton. Among them, from 2021 to 2023 compared with the previous year, the price of the survey period increased by 3.97%, 10.08% and 4.86 percent higher than at the beginning of the survey period, showing a sustained growth trend.

From 2020 to 2023, the price of domestic industry and specification products will be 30,775.28 yuan/ton, 25,874.69 yuan/ton, 24,050.46 yuan/ton, 24,834.17 yuan/ton. Among them, in 2021 and 2022 compared with the previous year, respectively, a decrease of 15.92% and 7.05%, an increase of 3.26% in 2023 compared with the previous year, but 19.3% lower than the opening price, showing an overall downward trend.

**(3) The impact of dumped imported products on the prices of similar products in the domestic industry.**

The investigation authorities have considered the import situation of dumped imported products, changes in the prices of similar products in the domestic industry and the relationship between the two.

Questionnaires submitted by various stakeholders show that domestically produced pork and pork by-products and dumped imported products are basically the same in terms of sensory projects, product quality, pig breeds, production processes, consumption fields and uses, sales channels and regions and customer groups, and are similar and substitutional. Domestic related pork and pork by-product consumption market is a competitive open market, domestic similar products and dumped imported products in terms of quality and performance can meet the requirements of downstream customers, the two can be replaced with each other, dumping imported products and domestic specifications of products directly competing. The exporter's questionnaire shows that it refers to the Chinese market price and offers to Chinese customers through multiple channels, and the transaction price is reached after consultation. Domestic industry and exporter responses show that some downstream users of dumped imported products and similar products in the domestic industry have crossovers and overlaps, and the same downstream user purchases both dumped imported products, but also purchased the same products in the domestic industry. In this case, the price of dumped imported products is clearly an important factor affecting downstream purchasers.

The investigation authorities noted that there are more than 5,000 pig slaughtering enterprises in China, small and medium enterprises (below the scale) accounted for more than 50%, the domestic industry is highly scattered, and the average output of the national pig slaughtering enterprises from 2020 to 2023 is only 0.9 million tons, 1.14 million tons, 1.24 million tons and 1.28 million tons.

After reviewing the data of 102 EU producers registered to participate in the survey, excluding companies exporting almost zero to China, 93, 89, 81 and 84 EU producers had actual exports to China from 2020 to 2023, with average exports of 2.96 million tons, 2.50 million tons, 1.76 million tons and 1.3 million tons respectively from 2020 to

2023. Although the absolute quantity and market share of dumped imports continued to decline during the investigation period, and the average volume of EU producers continued to decline, the average export volume of EU producers to China has always been greater than the average production of slaughtering enterprises in the country.

The investigation agency further reviewed the responses reported by three sample exporters and 25 domestic enterprises in the EU and found that the average export volume of three sample exporters from 2020 to 2023 was 19.46 million tons, 20.81 million tons, 15.81 million tons and 10.36 million tons, respectively, and the average sales of 25 domestic enterprises (excluding sales of 0 companies) was 7.48 million tons, 10.54 million tons, 11.09 million tons and 14.04 million tons, respectively. By comparison, the average volume of the three sample exporters from 2020 to 2022 is greater than the average sales volume of 25 domestic enterprises, and only the average export volume of the three in 2023 is less than the average sales volume of 25 domestic enterprises.

Therefore, although the absolute number and relative quantity of dumped imported products have declined, it still has a greater influence in the Chinese market, which will affect the price of similar products in the domestic industry.

**The impact of pork white bars / carcass imported from the European Union on the price of domestic industry and specification products.**

From 2020 to 2022, the number of white bars/carcasses imported from the EU will be 1408.96 tons, 714.16 tons and 0.64 tons, respectively, and 0 in 2023. Due to the extremely small number of pig white bars / carcass imports in 2022 and 2023, the investigation authority believes that its price is not representative and decided not to use the import price for these two years for analysis. 2020 and 2021 pig white bar / carcass import prices are always lower than the domestic industry and specification product prices, and are showing a downward trend, the price difference of 18,307 yuan / ton and 6,798 yuan / ton, the domestic industry and the specification product prices caused a sharp reduction.

**The impact of boned pig front legs, pig back legs and meat pieces imported from the European Union on the price of domestic industry and specification products.**

Between 2020 and 2023, the number of boned pig front legs, pig hind legs and pieces of meat imported from the EU will be 51.86 million tons, 60.44 million tons, 27.35 million tons and 18.04 million tons, respectively. From 2020 to 2023, the import price of bone pig front legs, pig hind legs and meat pieces has always been lower than the domestic industry and specification product prices, both showing an overall downward trend, the price difference is 16,899 yuan / ton, 5,061 yuan / ton, 5,864 yuan / ton and 2,866 yuan / ton, the domestic industry and the specification product prices caused a significant reduction.

**The impact of other pork imported from the EU on the price of domestic industry and specification products.**

From 2020 to 2023, the amount of other pork imported from the EU will be 178.88 tons, 145.97 million tons, 64.59 million tons and 54.86 million tons, respectively. From 2020 to 2023, the price of other pork imports has always been lower than the domestic industry and the price of specification products, both showing a downward trend, the price difference is 14,145 yuan / ton, 5,713 yuan / ton, 7,353 yuan / ton and 5,234 yuan / ton, the domestic industry and specifications product prices caused a sharp reduction.

**The impact of the import price of fat pork and pork fat without lean meat imported from the EU or extracted by other methods and the prices of domestic industry and products of similar specifications.**

From 2020 to 2023, the amount of fat pork and pork fat without lean meat imported from the EU, which is not refined or extracted by other methods, is 5.44 million tons,

9.23million tons, 0.58 million tons and 0.22 million tons, respectively. In 2020, the import price of fat pork and pork fat is lower than the domestic industry and the specification product price of 3136yuan / ton, the price of imports in 2021, the price of domestic industry and specification products has decreased, and the import price exceeds the price of domestic industry and specification products 3179yuan/ ton. Both fell in 2022, but the import price is still 1768yuan / ton higher than the domestic industry and specification products. In 2023, the import price is 5,154yuan / ton higher than the price of domestic industry and specification products.

The investigation agency reviewed the sales of the same specifications of domestic enterprises and found that the largest domestic sales in 2020 was 1.2 million tons, only three enterprises sold more than 10 million tons in 2021, and the import volume of fat pork and pork fat in China in 2022 was equivalent to the fourth enterprise sales of China's pig slaughter, and the number of imports in 2023 was the same as the 11st producer's sales. The investigation authorities believe that in 2020 and 2021, the import of fat pork, pork fat quantity advantage is obvious, and the market position is significant. In 2022 and 2023, although the number of imported fatty pork and pork fat fell sharply to 5,798 tons and 2,193 tons, but compared with the domestic highly dispersed enterprises, the number of dumped imported products is still a clear advantage, will have an impact on the domestic industry and specification product prices, of which dumped imported products in 2020 will cause significant reductions in the price of domestic industry and specification products.

**The impact of salted pig intestinal clothing imported from the EU (except for pig head) on the domestic industry and the price of specification products.**

Between 2020 and 2023, the number of salted pig goats imported from the EU (except for pig head) was 3.88 million tons, 4.02 million tons, 3.59 million tons and 3.19 million tons, respectively. In 2020 and 2021, the import price of salted pigs is lower than the domestic industry and specification product prices, and both are showing a downward trend, with price differences of 14,826yuan/ton and 4,972yuan/ton respectively. In 2022, the import price of salted pigs began to increase, the price of domestic industry and specification products continued to decline, and the import price exceeded the domestic industry and the specification product price of 3,123yuan/ ton. In 2023, the import price of salted pigs and garments continued to increase, and the price of domestic industry and specification products continued to decline, and the difference between the two prices expanded to 11,379yuan / ton.

The investigation authority reviewed the sales of saline pig gowns of domestic enterprises and found that the largest domestic sales in 2020 and 2021 was only more than 4,000 tons, more than 7 thousand tons in 2022, and about 10 million tons in 2023. During this period, the import volume remained at 3-4 million tons, and in 2021 it was 3.67% higher than the beginning of the period, compared with the domestic highly decentralized enterprises, the number advantage of dumped imported products is obvious, the market position is significant, will have an impact on domestic industry and specification product prices, of which 2020 and 2021 will cause significant reductions in domestic industry and specification product prices.

**The import price of pig liver and the domestic industry and the price of the same specification products.**

From 2020 to 2023, the number of pig liver imported from the EU will be 1.63 million tons, 1.6 million tons, 0.0019 million tons and 0.0013 million tons respectively. Due to the extremely small number of pig liver imports in 2022 and 2023, the investigation authority believes that its price is not representative and decided not to use the import price for these two years for analysis. In 2020 and 2021, the import price of pig liver is always lower than the domestic industry and the price of specification products, and are



showing a downward trend, the price difference is 9,367 yuan / ton and 380 yuan / ton, the domestic industry and the specification product prices have caused a sharp reduction.

**The import price of other pigs and domestic industry with the same specifications.**

From 2020 to 2023, the number of other pigs imported from the EU was 77.5 million tons, 70.28 million tons, 60.11 million tons and 57.34 million tons, respectively. From 2020 to 2023, the import price of other pigs is always lower than the domestic industry and the same standard product price difference is 13,820 yuan / ton, 8,247 yuan / ton, 4,646 yuan / ton and 4,488 yuan / ton.

In their comments, relevant stakeholders suggested that the price difference between different pigs is large and should be assessed separately. To this end, the investigative authorities have further assessed the import prices of different pigs and domestic sales prices.

During the dumping investigation period, three EU sample companies exported to China, including frozen pig belly, pig hoof, pig head, pig tail, pig heart, pig kidney, pig whip, pig tongue and pig ear in quantities of 6,391 tons, 46,876 tons, 86,584 tons, 1,880 tons, 5,681 tons, 40 tons, 4,418 tons and 96 tons, with import prices of 39,993 yuan / ton, 27,592 yuan / ton, 11,712 yuan / ton, respectively. yuan / ton, Yuan / ton, y yuan / ton, y yuan / ton, y yuan / ton and yu yuan / ton. Data provided by domestic enterprises show that in 2023 the domestic sales price of frozen pig belly, pig hoof, pig head, pig tail, pig heart, pig kidney, pig whip, pig tongue and pig ear was 45,138 yuan / ton, 33,560 yuan / ton, 12,723 yuan / ton, 52 yuan, 433 yuan / ton, 11,733 yuan / ton, 18,877 yuan / ton, 36,002 yuan / ton, 36,898 yuan / ton and 47,961 yuan / ton.

In addition to the import volume of pig whips, the import price of 8 kinds of pigs such as pig belly, hoof, pig head, pig tail, heart, pig kidney, pig tongue and pig ear are lower than the domestic industry and specification prices, the price difference is 545 yuan / ton, 545 yuan / ton, 5,968 yuan / ton, 1011 yuan / ton, 8,823 yuan / ton, 401 yuan / ton, 3,578 yuan / ton, 1,728 yuan / ton and 9,049 yuan, which also shows that other pigs imported from the EU have caused significant reductions in the price of domestic industry and similar specifications.

In summary, during the damage investigation period, dumping imports of all specifications in 2020 caused significant reductions in the prices of domestic industry and specification products; In 2021, with the exception of fat pig meat and pig fat, all other specification model products accounting for 97% of imports will result in significant reductions in the price of domestic industry and specification products; In 2022 and 2023, in addition to fatten pork, pork fat and salted pig goats, dumping imports accounting for 97%-98% of imports will cause significant reductions in the prices of domestic industry and specification products, so the investigation agency preliminarily determined that the dumping of imported products has caused significant reductions in the prices of similar products in the domestic industry.

**(4) Domestic industrial conditions.**

As mentioned earlier, the investigation authorities decided to assess the state of the domestic industry on the basis of data submitted by 25 domestic respondents. From 10 to 12 October 2024, the investigative body conducted a field verification of a sample of respondents and verified the response data. The investigation authority also compared the import and export data supplied by the applicant based on China's customs statistics, found a slight difference, decided to use Chinese customs statistics to recalculate the apparent consumption, and calculated dumping imported products and domestic industry similar products accounted for the domestic market share. In accordance with Article VII of the Anti-Dumping Regulations, Article 8 The investigation authority conducted a survey of the relevant economic factors

and indicators of the domestic industry, and the evidence shows that:

### **1. Apparent consumption.**

According to China's customs statistics and the production of relevant pork and pork by-products in China provided by the applicant, the apparent consumption of related pork and pork by-products in China has continued to grow during the damage investigation period. From 2020 to 2023, apparent consumption was 5,779.14 million tons, 7,205.22 million tons, 7,300.51 million tons, and 7,606.40 million tons, respectively. From 2021 to 2023, the increase was 24.68%, 1.32% and 4.19%, respectively, compared to the previous year.

### **2. The capacity.**

During the damage survey period, the combined production capacity of 25 domestic production enterprises that submitted responses showed a growing trend of similar products. The total capacity from 2020 to 2023 will be 210.65 tons, 389.05 million tons, 506.62 million tons and 713.18 million tons, respectively. From 2021 to 2023, there was an increase of 84.69%, 30.22% and 40.77%, respectively, compared to the previous year.

### **3. The production.**

During the damage survey period, the total production of similar products from 25 domestic production enterprises that submitted responses showed a growing trend. The total capacity from 2020 to 2023 will be 161.33 tons, 301.50 million tons, 359.35 million tons and 447.04 million tons, respectively. From 2021 to 2023, the increase was 86.88%, 19.19% and 24.40%, respectively, compared to the previous year.

### **4. Volume of Sales.**

During the damage survey period, the total domestic sales of similar products from 25 domestic production enterprises that submitted questionnaires continued to grow. From 2020 to 2023, the total domestic sales volume will be 119.71 tons, 210.84 million tons, 266.22 million tons and 337.05 million tons respectively. From 2021 to 2023, the increase was 76.12%, 26.27% and 26.61%, respectively, compared to the previous year. From 2020 to 2023, the total self-use amounted to 5.12 million tons, 9.10 million tons, 5.83 million tons and 12.43 million tons, respectively.

### **5. Market share.**

During the damage survey period, the total market share (inclusive self-use) of similar products from 25 domestic production enterprises that submitted responses showed a growing trend. From 2020 to 2023, the total market share is 2.16%, 3.05%, 3.73% and 4.59%, respectively. From 2021 to 2023, the increase was 0.89, 0.67 and 0.87 percentage points, respectively, compared to the previous year.

### **6. The sale price.**

From 2020 to 2023, the weighted average domestic sales price of similar products from 25 domestic production enterprises submitted responses was 35,548 yuan/ton, 22,117 yuan /ton, 22,078 yuan/ton, and 18,484 yuan/ton respectively. From 2021 to 2023, the decrease was 37.78 percent, 0.18% and 16.28%, respectively, compared to the previous year. The end of the survey period was 48% lower than at the beginning of the period. During the damage investigation period, the sales price of similar products in the domestic industry showed a significant downward trend.

### **7. Revenue from sales.**

From 2020 to 2023, the domestic sales revenue of similar products of the 25 domestic production enterprises that submitted responses was 425.55 billion yuan, 466.31 billion yuan, 587.75 billion yuan and 622.98 billion yuan respectively. From 2021 to 2023, the increase is 9.58%, 26.04% and 5.99 percent, respectively, compared to the previous year. During the damage investigation period, the domestic sales revenue of

similar products in the domestic industry continued to grow.

#### **8. Pre-tax profits.**

From 2020 to 2023, the pre-tax profits of 25 domestic production enterprises that submitted responses were 0.6 billion yuan, (-278) million yuan, (-285 million yuan) and (-11.34) million yuan, respectively. From profit to loss in 2021, losses from 2022 to 2023 continued to expand by 2.45% and 297.68% compared to the previous year. During the damage investigation period, the pre-tax profit of similar products in the domestic industry showed a significant downward trend.

#### **9. Rate of return on investment.**

From 2020 to 2023, 25 domestic production enterprises submitted a return on investment in similar products of 0.54 per cent, (-1.27) per cent, (-0.92)% and (-3.39) percent, respectively. With the exception of 2020 at the beginning of the survey period, the return on investment from 2021 to 2023 was negative, with a loss of 0.36 percentage points from the previous year in 2022 and 2.48 percentage points in 2023 compared with the previous year. During the damage investigation period, the return on investment of similar products in the domestic industry generally showed a downward trend.

#### **10. The starting rate.**

From 2020 to 2023, the overall starting rate of similar products of the 25 domestic production enterprises that submitted responses was 76.59%, 77.49%, 70.93% and 62.68% respectively. Among them, in 2021, an increase of 0.91 percentage points over the previous year. 2022 and 2023 are down 6.56 and 8.25 percentage points, respectively, compared to the previous year. During the damage investigation period, the start-up rate of similar products in the domestic industry has risen and decreased overall trend.

#### **11. Number of employed persons.**

Between 2020 and 2023, the 25 domestic production enterprises that submitted questionnaires employed in similar products were 11,612, 17,461, 21,995 and 21,768 respectively. Among them, 2021 and 2022 increased by 50.37% and 25.96 % respectively compared to the previous year, and 1.03% lower in 2023 than the previous year. During the damage investigation period, the number of employment in similar products in the domestic industry has risen and decreased, and the overall growth trend.

#### **12. Productivity of labour.**

From 2020 to 2023, the labour productivity of similar products in 25 domestic production enterprises was 138.93 tonnes/year/person, 172.66 tons/year/person, 163.38 tons/year/person and 205.37 tonnes/year/person. Among them, in 2021, an increase of 24.28% over the previous year, a decrease of 5.38 per cent in 2022, and an increase of 25.70% in 2023 over the previous year. During the damage investigation period, the labor productivity of similar products in the domestic industry showed a volatile growth trend.

#### **13. The per capita salary.**

Between 2020 and 2023, the average wage of 25 domestic production enterprises employed in similar products was 54,636 yuan/year/person, 74,325 yuan/year/year/person, 80,853 yuan/year/person and \$89,185/year/person. From 2021 to 2023, the increase was 36.04 per cent, 8.78% and 10.30%, respectively, compared to the previous year. During the damage investigation period, the average wage of workers in similar products in the domestic industry continued to grow.

#### **14. Stock at the end of the period.**

From 2020 to 2023, the end-of-term inventory of similar products from 25 domestic production enterprises that submitted responses was 2.46 million tons, 7.51 million tons, 8.18 million tons and 13.96 million tons, respectively. From 2021 to 2023, there was an increase of 204.88 %, 8.79 per cent and 70.73%, respectively, compared to the previous

year. During the damage investigation period, the total end of inventory of similar products in the domestic industry has continued to grow.

#### **15. Net cash flow from operating activities.**

From 2020 to 2023, the net cash flow of 25 domestic production enterprises from similar products operating activities was (-0.36 million), (-13.3 million yuan), 431 million yuan and (-14.76) million yuan, respectively. In 2021, net outflows were 36.42 times larger than the previous year, net outflows turned into net inflows in 2022 and net outflows in 2023. Except for 2022, the remaining periods were net outflows. During the damage investigation period, the net cash flow of similar products in the domestic industry showed an overall downward trend.

#### **16. Financing capacity.**

During the damage investigation period, there is no evidence that the investment and financing capacity of similar products in the domestic industry has been adversely affected by the import of dumped imported products.

The investigation authority also reviewed the dumping margin of dumped imported products, and the dumping margin of the dumped imported products is not a trace dumping, which is sufficient to adversely affect the prices of similar products in the domestic industry.

After review, during the damage investigation period, the apparent consumption of domestic related pork and pork by-products continued to grow, driving the domestic industry's production capacity, production, sales volume, market share, sales income, employment, per capita wage and labor production rate. The investigation organs also noted that affected by the price reduction of dumped imports, the price of similar products in the domestic industry continued to decline by 48%, sales revenue growth was significantly lower than the output growth rate, pre-tax profits and investment yields fell significantly in 2021, the loss in 2023 further expanded by three times, except 2022, the net flow of operating cash in the rest of the years is net outflow, 2021 and 2023 net outflows are 36 times and 40 times at the beginning of the survey period. In this case, the start of construction is suppressed, the increase in production is lower than the capacity increase, damage the start rate fell by 14 percentage points during the investigation period, nearly 40% of the production capacity at the end of the investigation period has been unutilized, and the end of the survey period has increased by nearly 5 times compared with the beginning of the period.

The investigation authorities noted the comments of relevant stakeholders that the domestic industry mainly indicates a positive trend, and the domestic industry has not suffered substantial damage. The investigation authority believes that the assessment of the industrial situation should take into account all relevant economic factors and indicators, and can not be based on only some indicators. After comprehensive consideration of all indicators, the investigation authority initially determined that the domestic industry suffered substantial damage.

#### **VI. Causal relationship**

In accordance with Article 24 of the Anti-Dumping Regulations, the investigating authority examined whether there is a causal relationship between the dumping of imported products and the material damage to the domestic industry, and examined other factors known to be likely to cause harm to the domestic industry in addition to the impact of dumped imports.

#### **(1) Dumping of imported products has caused substantial damage to the domestic industry.**

The survey shows that dumped imported products and similar products in the domestic industry are basically the same in terms of sensory items, product quality, pig

varieties, production processes, consumption fields and uses, sales channels and customer groups, etc., with similarity and substitution. Domestic related pork and pork by-product market is a competitive open market, EU exporters quotations to Chinese customers through multiple channels, dumping imported products and domestic industry similar products in the domestic market to compete with each other, downstream users purchase products, price is an important reference factor. The Chinese market is relatively scattered, there are more than 5,000 domestic production enterprises, damage the average EU single enterprise exports to China during the survey period has always been greater than the average output of domestic enterprises, the average export volume of the sample exporters to China is also more than the average output of 25 sample enterprises. Therefore, during the damage investigation period, although the number of dumped imports has not increased significantly, dumping imports still have a greater influence in the Chinese market. During the damage investigation period, dumped imports of all specifications in 2020 have significantly reduced prices for domestic industry and specification products; In 2021, in addition to fattening pork and pork fat, all other specification model products accounting for 97% of imports will be significantly reduced to the price of domestic industry and specification products; In 2022 and 2023, in addition to fatten pork, pork fat, salted pig goat, dumping imported products accounting for 97%-98% of imports of imports have caused a sharp reduction in prices of domestic production and specification products, resulting in a continued decline in the price of similar domestic products by 48%, and further led to sales revenue growth rate significantly lower than output growth rate, pre-tax profits and investment yields fell sharply in 2021, the loss of the domestic industry by profit and loss in 2023 further expanded 3 times, except for 2022, net cash flows from operating activities in the remaining years are net outflows.

Therefore, the investigation authority preliminarily found that during the period of damage, the dumping of imported products on the domestic industry caused substantial reductions in the prices of similar products in the domestic industry, resulting in substantial damage to the domestic industry, and there is a causal relationship between the dumping of imported products and the substantial damage to the domestic industry.

#### **Analysis of other known factors.**

The investigating authorities examined other known factors other than dumped imports that could cause substantial damage to the domestic industry.

After preliminary examination, there is no evidence of a causal relationship between other countries (regions) and domestic producers' trade-restrictive practices and competition between them, changes in consumption patterns, technological development, export status of similar products in domestic industries and force majeure, and substantial damage to domestic industries.

#### **1. Regarding the impact of other sources of imports.**

The Spanish government argues that the average price of other import sources is lower than the EU price and that the substantial damage to the domestic industry is not caused by dumped imports.

According to China's customs statistics, 2020-2023 dumped imports accounted for 56%, 58%, 55% and 49% of China's total imports, ranked second in the United States accounted for 17%, 15%, 15% and 17%, ranked third, Basi imports accounted for 9%, 11%, 15% and 16%, other import sources including Canada, Chile, the United Kingdom, Mexico and other countries, accounting for only 15%-19% of the total import volume, single country imports accounted for less than 10%, relatively dispersed, imports from individual countries far smaller than EU imports. The investigation authority believes that first, the applicant has not applied for anti-dumping investigation on other imported products, and there is no evidence that other imported products have been dumped. Second, China's customs data shows that the relevant pork and pork by-product prices imported from other

countries are not all lower than dumped imports, such as Brazil's import prices are always higher than dumped imports, and U.S. import prices plus special tariffs are higher than dumped imports. Third, dumped imports account for about 50% of China's total imports, and the dumping of imported products has caused significant reductions in the prices of similar products in domestic industries. Therefore, the relevant pork and pork by-products imported from other countries cannot deny the impact of dumped imports on the prices of similar products in the domestic industry, as well as the substantial damage caused to the domestic industry. The investigative authorities have not accepted the Spanish government's claim.

## **2. The impact of policies on African swine fever and epidemics resulting in overproduction in the country.**

The European Commission and the European Union for Livestock and Trade advocated that after the African swine fever outbreak in 2018, the Chinese government adopted strict slaughter measures, resulting in a reduction in pork supply in 2019, resulting in a sharp increase in prices. Imports filled the 20% gap caused by the decline in domestic production. In response to shortages and high prices, the Chinese government has launched a three-year plan to resume production in 2021, driven by subsidies, domestic pork production rebounded again, affected by the epidemic clearance policy, demand development is not as expected, leading to production levels exceeding consumption levels from 2021 to 2023 and falling prices in 2021. In order to reduce losses, China's pork production has accelerated and has now surpassed pre-African swine fever levels. During this period, both China's imports and total imports from the EU have declined, and the real cause of the damage is oversupply.

Relevant evidence shows that from 2020 to 2023, the apparent consumption of domestic pork and pork by-products continued to grow from 5779 tons to 7,606 tons, an increase of 32% at the end of the period, of which 24.68% year-on-year growth in 2021, the Commission advocated "affected by the epidemic clearance policy, demand development than expected" is not consistent with the facts, the damage to the domestic industry is not caused by shrinking market demand. At the same time, the national total production also increased from 5,214 tons to 7,345 tons year by year, but domestic production did not exceed the demand, production and demand growth is basically the same. The investigation authorities believe that the increase in domestic production does not negate the substantial damage caused by dumped imports to the domestic industry.

## **3. Concerning the impact of increased production costs and high indebtedness in the domestic industry.**

The Government of Spain argued that the application did not mention the impact of increased production costs on the profits and profitability of domestic production. Higher labor costs due to higher feed prices (50% of total costs) and energy prices, resulting in higher domestic production costs, China's farming efficiency compared to the EU and 80% higher slaughter costs than in the Netherlands. The European Union for Livestock and Trade argues that many domestic pork producers have expanded too much, resulting in high indebtedness, and the resulting losses cannot be attributed to imports.

The investigation agency reviewed the cost and asset-liability statements of 25 responding enterprises and found that the average investment volume and unit cost of similar products in the domestic industry from 2020 to 2023 continued to grow, consistent with the increase in domestic production costs advocated by the Spanish government. However, the weighted average price of dumped imported products from 2020 to 2023 will be 20,333 yuan/ton, 19,243 yuan/ton, 18,278 yuan / ton and 19,666 yuan/ton, and damage the price of more than 95% of dumped imported products during the investigation period are lower than the price of similar domestic products, resulting in a

sharp reduction in the price of similar domestic products. Affected by this, the price of similar products in the domestic industry has not only failed to rise with the cost increase, but has continued to decline, although the domestic industry sales continue to increase, but the domestic industry has continued to lose since 2021, suffered substantial damage. The investigation authorities believe that the cost of domestic production and the increase in the amount of investment cannot negate the causal relationship between the dumping of imported products and the substantial damage to the domestic industry.

#### **Analysis of the post-investigation period.**

The Commission and the Government of Spain argue that the most recent temporal phases are usually more important for substantive damage analysis and that the investigating authorities need to analyse the situation after the investigation period. In March 2024, China's Ministry of Agriculture and Rural Affairs revised the implementation plan for pig production capacity regulation, adjusting the national target number of sows from 41 million to 39 million. Pig prices quadrupled in five months, and with corn and soybean meal prices falling, the pig industry entered a full profit period from mid-to-late May. As can be seen from the analysis after the investigation period, the damage has improved as the Chinese government's regulatory measures have had a favorable impact on the financial situation of the market and domestic operators. Some of the damage during the investigation period was due to the decline in ingredient only because of domestic overproduction, not imports from the EU.

The investigation authorities believe that the damage investigation period in this case is from 2020 to 2023, the last day of the investigation period is more than 6 months from the date of filing, the applicant needs a certain amount of time to collect, analyze the relevant data and collate the evidence, and produce an application. In the filing of the case announcement, the investigation authority has stated the investigation period, the non-stakeholder objected to this, the investigation organs have also issued questionnaires and supplementary questionnaires accordingly. Therefore, the investigation authorities decided not to use data after the investigation period for analysis.

#### **5. Regarding the impact of imported salted pig goats on the domestic industry.**

The European Natural Coat Association advocates that the vast majority of saline pig intestine garments exported to China are processed trade and eventually shipped back to the EU for sale. According to the applicant, according to the Customs Law of the People's Republic of China, imports under processing and processing trade also belong to imported goods and should be included in the scope of anti-dumping investigations. The prices of the investigated products imported by the processing trade party will be compared with the price of the domestic market, thereby reducing the price of similar products in the domestic industry, reducing the sales and market share of similar products in the domestic industry, causing impact and damage to the domestic industry.

The investigation authorities believe that although some of the dumped imported products are used as raw materials processing and feed processing trade methods, but their downstream procurement users also purchase similar products in the domestic industry at the same time, the two are competing with each other, can not deny the fact that the same type of imported salted pigs will affect the domestic industry and the specification product prices.

#### **VII. Preliminary findings**

According to the above findings, the investigation authority preliminarily ruled that imported pork and pork by-products originating in the EU were dumping, that the domestic industry suffered substantial damage, and there was a causal relationship between dumping and material damage.

Schedule of Schedules: Related Pork and By-Products Anti-Dumping Data Table

Schedule of Schedules

Related Pork and By-Products Anti-Dumping Data Table

The Project	Year of 2020	The year 2021	The year 2022	The year 2023
Total national production (million tons)	5,214	6,713	7,024	7,345
Rate of		28.76%	4.63%	4.57%
Apparent consumption (million tons)	5,779	7,205	7,301	7,606
Rate of		24.68%	1.32%	4.19%
Imports of products	319.33	291.17	156.21	133.65
Rate of		-8.82%	-46.35%	-14.44%
Market share of products	5.53%	4.04%	2.14%	1.76%
Rate of change (percentage)		-1.48	-1.90	-0.38
Capacity	210.65	389.05	506.62	713.18
Rate of		84.69%	30.22%	40.77%
Production	161.33	301.50	359.35	447.04
Rate of		86.88%	19.19%	24.40%
Rate of	76.59%	77.49%	70.93%	62.68%
Rate of change (percentage)		0.91	-6.56	-8.25
Domestic sales (million tons)	119.71	210.84	266.22	337.05
Rate of		76.12%	26.27%	26.61%
Market share of similar products	2.16%	3.05%	3.73%	4.59%
Rate of change (percentage)		0.89	0.67	0.87
Domestic sales revenue (billion yuan)	425.55	466.31	587.75	622.98
Rate of		9.58%	26.04%	5.99%
Domestic sales price (yuan/ton)	35,548	22,117	22,078	18,484
Rate of		-37.78%	-0.18%	-16.28%
Cost per unit (million yuan/ton)	3.55	3.87	4.84	5.17



Rate of change	-	9.09%	25.05%	6.88%
End-of-term stocks (million dollars)	2.46	7.51	8.18	13.96
Rate of change	-	204.88%	8.79%	70.73%
Pre-tax profits (billion dollars)	0.68	-2.78	-2.85	-11.34
Rate of change	-	-508.91%	-2.45%	-297.68%
Rate of return on investment	0.54%	-1.27%	-0.92%	-3.39%
Rate of change (percentage)	-	-1.82	0.36	-2.48
Net cash flow (billions)	-0.36	-13.37	4.31	-14.76
Rate of change	-	-36.42	132%	-443%
Number of employed persons	11,612	17,461	21,995	21,768
Rate of change	-	50.37%	25.96%	-1.03%
Per capita salary (USD/person)	54,636	74,325	80,853	89,185
Rate of change	-	36.04%	8.78%	10.30%
Labour productivity (tons/person)	138.93	172.66	163.38	205.37
Rate of change	-	24.28%	-5.38%	25.70%

## Annex2

## List of margin ratios by company

<b>Name of company</b>	<b>Margin ratio (The margin of dumping)</b>
<b>I. Sampling of companies</b>	
Ritella Meat Company (Littera Meat S.L.)	15.6%
Danish Crown A/S	31.3%
DAT-Schaub A/S	31.3%
Detcho Spain Limited (DAT-Schaub Spain S.L.U.)	31.3%
Detshaw France Limited (DAT-Schaub France S.A.S.)	31.3%
Courtesy of Vion Boxtel B.V.	32.7%
Viyan Heronlo Ltd. (VION Groenlo B.V.)	32.7%
Vijan Apeldorón Limited (VION Apeldoorn B.V.)	32.7%
<b>Other companies cooperating with the investigation</b>	
The Brava Coast Refrigeration Company (FRIGORIFICOS COSTA BRAVA S.A)	20.0%
Westburg pig slaughtering and processing company Westfort Vleesproducten	20.0%

The French Copleisin Group COOPERL ARC ATLANTIQUE	20.0%
Vanno Meat Company Limited (Van Rooi Meat B.V.)	20.0%
Sgbya Limited (CÁRNICAS CINCO VILLAS, S.A.U.)	20.0%
Rosdrow Irish Meat Group Limited The Rosderra Irish Meats Group	20.0%
Danish Flagship Limited (Tican Fresh Meat A/S)	20.0%
El Pazo Foods Spain (El Pozo Alimentación, S.A.)	20.0%
Copacso Meat Zevina Limited (Compaxo Vlees Zevenaar B.V.)	20.0%
Sipa International Food Summary AG (CIPA SAS)	20.0%
Patel Inc., Ltd. (PATEL S.A.U.)	20.0%
Friselva SA (FRISELVA SA)	20.0%
Juya Meat Union Factory	20.0%

(CARNIQUES DE JUIA SA)	
Sierra Meat Union Factory Carniques Celra S, L.	20.0%
Bernard Foods Ltd. (SOCIETE BERNARD)	20.0%
The Gaustard Group (COSTA FOOD MEAT SL)	20.0%
Andalusia Refrigerated Meat Stock Company (FRIGORFICOSANDALUCES DE CONSERVAS DE Carne, S.A. (FACCSA)	20.0%
Batale Meat Company Carnica BatallÉ S.A.	20.0%
Damp Company Limited (Danepork A/S)	20.0%
IndiLorientPiquerasMeat Company (Inds: Carnicas Lorient Piquieras, S.A.)	20.0%
Welfare Wave Company (CÁRNICAS FRIVALL, S.L.U.)	20.0%
Rodriguez Limited (EMBUTIDOS RODRIGUEZ, S.L.)	20.0%

La Cormal Meat Company (LA COMARCA MEATS, S.L.U.)	20.0%
Livestock Slaughter Cutting Company (Fabrica MATADERO Y DESPIECE S.A.)	20.0%
Baucer Food Group (GRUP BAUCELLS ALIMENTACIÓ, S.L.)	20.0%
Noel Food Company (Noel Alimentaria SAU)	20.0%
Attrius Finland Limited (Atria Finland Ltd.)	20.0%
Quili Pig Slaughter Limited (operating Dawn Pork) Bacon and Bacon Queally Pig Slaughtering Ltd.T/A Dawn The Pork and Bacon	20.0%
Fifsu Industrial (FIPSO INDUSTRIE)	20.0%
Abino Meat United Inc. (MATADERO FRIGORÓFICO AVINYÓ, S.A.)	20.0%
The Marfry Heat Company (MAFRIGES SA)	20.0%
Good Foods Finland Limited (HKFoods Finland Oy)	20.0%

Steyr Meat LLC (Steirerfleisch Gesellschaft m.b.H.)	20.0%
Wan Hansheng Co., Ltd. By Van Hessen B.V.	20.0%
Keyk Supply Company Limited (Supply Point Cuijk B.V.)	20.0%
Wanhan Sein Spain Operating Company Limited (Van Hessen Spain Operations S.L.)	20.0%
Stanton Foods Ltd. (Staunton Foods Ltd.)	20.0%
Fulibin Food Co Ltd (FRIBIN FOODS S.L.)	20.0%
Tyson Netherlands LLC (Teijssen B.V.)	20.0%
McAllen Meat Unlimited McCarren Meats Unlimited Company	20.0%
Campofrio Foods Group Inc. (CAMPOFRIO FOOD GROUP, S.A)	20.0%
Mondori Meat Company of Spain The Industrias Cárnicas Montronill SAU	20.0%
Fulushan Co., Ltd. (FRIGORIFICOS UNIDOS S.A)	20.0%

International Enteri Products Limited (INTERNATIONAL CASING PRODUCTS, S.L.U.)	20.0%
Specialty Meat Company (INDUSTRIAS CARNICAS TELLO, S.A.)	20.0%
Dutch CTH Limited (CTH B.V.)	20.0%
Joslan pork (JOSSELIN PORC ABATTAGE)	20.0%
Fwilling Colek Kelke Ltd. By F. Wellink Lekkerkerk B.V.	20.0%
The French Imperial Group (Tradival)	20.0%
Gisona Food Company CORPORACION ALIMENTARIA GUISSONA SA	20.0%
Gettinger Pork (GATINE VIANDES)	20.0%
Rudolf Grosfutner Limited (RUDOLF GROSSFURTNER GMBH)	20.0%
Pally Heldrop, Ltd. PALI Geldrop B.V.	20.0%
West Pig Slaughterhouse Caso - Centro de Abate de Suínos do	20.0%

Oeste, S.A.)	
Macoba Meat Products Company (MATADERO COMARCAL DEL BAGES, S.L.)	20.0%
High Cloud Card INDUSTRIAS FRIGORIFICAS DEL LOURO S.A. - Frigolouro	20.0%
Stemberg Welt Ltd. By Stroomberg Weert B.V.	20.0%
Alentejo Pig Variety Slaughterhouse MAPORAL - Matadouro de Porco de Raça Alentejana, S.A.	20.0%
Norbert Marcher Ltd. Norbert Marcher Gesellschaft m.b.H.	20.0%
Calderon and Ramos Iberian Products Limited (PRODUCTOS IBERICOS CALDERON YRAMOS, S.L.)	20.0%
Fuentes Slaughter Limited Matadero Frigorico De Fuentes El Navazo S.L.)	20.0%
Miny Australasian Meat Company Limited ICM - Indústrias de Carne do Minho S.A.) _	20.0%





Calmonti Co., Ltd. (CARMONTI, SA)	20.0%
FJS Animal Byproducts Limited (FJS Animal By-PRODUCTS S.L.)	20.0%
Orette Meat Group (OLOT MEATS, S.A)	20.0%
Jihuello Slaughter Limited (MATADERO DE GUIJUELO, S.A.)	20.0%
Ganpi Pork Products Limited (CANPIPORK, S.L.)	20.0%
The Chalos Burdo Company (CHARLES BOURDEAU STE)	20.0%
Jobstrell Boengut Ltd. JÖBSTL BAUERNGUT GMBH	20.0%
Baria Enteri Co., Ltd. (TRIPAS LEVANTINA BAREA, S.L.)	20.0%
Euler Foods LLC (Holafood S.L.)	20.0%
Category: Interrabis (INTERABA)	20.0%
MaforesaIberiaLimited (MAFRESA, EL IBÉRICO DE CONFIANZA S.L.)	20.0%

West Casal, Meat Products Industry and Trade Company Limited SiCASAL - Indústria e Comércio de Carnes, S.A.	20.0%
Montezano Estremadura Company MONTESANO EXTREMADURA S.A.	20.0%
PALI Meat B.V.	20.0%
AGP Meat Products Limited (Agpmeat, S.A.)	20.0%
Charles Brothers Company (ETABLISSEMENTS CHARLES FRERES)	20.0%
Fairmin Sausage Company Limited (EMBUTIDOS FERMIN, S.L.)	20.0%
The Kmachine (Kermene)	20.0%
The Pink Pig Company The Pink Pig S.A.	20.0%
The Lucky Pig Company (Formune Pig S.L.)	20.0%
Northeast Refrigerated Slaughter Company (FRIGORIFICOS DEL NORDESTE S.A.)	20.0%

Sanchez Romero Kawahar Jabgo Company (Sanchez Romano Carvaja JABUGO S.A.)	20.0%
Amelich EssenLtd. (Germans Aymerich Isern, S.L.)	20.0%
Pork Commodity Company (Commercial Productos Porcinos S.A)	20.0%
San Mateo Enteri Co., Ltd. Tripas San Mateo S.L.	20.0%
Food Pig Company By Le Porc Gourmet S.A.	20.0%
<b>Other EU companies</b>	<b>62.4%</b>