TRA proposes new tariff rates for Chinese e-bike exporters

The Trade Remedies Authority has today (19 August 2022) proposed that two China-based electrical bicycle and tricycle manufacturers be given new exporter status which allows them to pay a lower anti-dumping import tariff rate to export their products to the UK. They would otherwise pay the much higher rate for exporters who did not cooperate with the original trade remedy investigation.

The UK e-bike market was worth £280 million in sales in 2020 and this is expected to triple by 2024. The change in tariff rate would help meet demand in this growing market by making it possible for these new exporters to export to the UK and by providing a wider range of options to UK consumers.

The proposal is contained in a <u>Statement of Essential Facts</u>, which is now open for comment by interested parties. The TRA will consider any comments before making a final recommendation to the Secretary of State later this year.

The TRA assesses applications for new investigations and reviews and conducts them rigorously, fairly and consistently with statutory guidance and timescales.

The TRA opened a new exporter review into electric bicycles from China in June, following a request from two exporters. As they are new to the market, the two firms currently pay the same anti-dumping tariff rate as exporters who did not cooperate with the original EU anti-dumping measure in 2019.

New exporter reviews allow new exporters to enter the UK market at a fair rate, rather than being penalised for not taking part in the original investigation. In this case, the TRA is recommending that:

- the applicants are new exporters;
- they should pay a non-sampled, co-operating overseas exporter antidumping amount of 16.2%, rather than the 62.1% they currently have to pay;
- the new rate should be backdated to the initiation of the review on 23 June 2022.

The period of investigation for this review was 1 June 2021 to 31 May 2022.

The applicants for the review were Jinhua Otmar Technology Co Limited, PRC and Jinhua Seno Technology Co Limited, PRC.

To be considered a new exporter, an applicant must not have exported the reviewed goods to the EU during the period of investigation on which the current measure is based.

The TRA was satisfied that the applicants were incorporated after the EU

period of investigation expiry date of 30 September 2017, and therefore did not export the goods to the EU during the period on which the current measure is based.

- The Trade Remedies Authority is the UK body that investigates whether new trade remedy measures are needed to counter unfair import practices and unforeseen surges of imports.
- The TRA is an arm's length body of the Department of International Trade (DIT) launched on 1 June 2021. Before its launch, it operated as the Trade Remedies Investigations Directorate (TRID) of DIT.
- Anti-dumping remedies address imported goods which are being dumped in the UK at prices below what they would be sold for in their home country.