

GlassFibreEurope calls on industry's value chain to support the fight against illegal Dumping after Commission's Open Mesh Disclosure.

Brussels, 19 July 2017 –GlassFibreEurope, the European Glass Fibre Producers Association (APFE) and Tech-Fab Europe (TFE) have called on all actors in the value chain to stand united in the fight against illegal trade practises by China.

Chinese predatory dumping is a recurrent and critical issue for both the upstream as well as downstream industries in the European glass fibre sector. "We must recognise that aggressive and illegal Dumping by Chinese producers, in the end, threatens the survival of all members of the glass fibre value chain," pointed out Axel Jorns, Secretary General of Glass Fibre Europe.

In the most recent case of open mesh fabrics, which has set off alarms bells across a number of EU manufacturing industries, five years after initial EU trade defence measures were adopted, European producers requested an expiry review. The reason for this is the fact that Chinese producers have continued to Dump aggressively in the European market, and apply predatory pricing, due to their massive underutilized overcapacity.

DG Trade agreed to open an investigation into open mesh fabrics, and its findings were disclosed on 26 June 2017. Despite clear and irrefutable evidence, which showed the harmful effects of Dumping and continued circumvention, DG Trade proposed the termination of Anti-Dumping measures following their Review.

The analysis in the Commission's disclosure is incomplete and does not consider all the relevant evidence, which supports the continuation of the duties. For relevance, for example, is the fact that China's overcapacity in open mesh fabrics is equal to the EU's total consumption.

"The Commission's conclusions are simply naïve," said Mr Jorns, adding: "Prices and the performance of EU producers cannot compete with below cost Chinese products if the EU's Anti-Dumping measures are removed. Indeed, we expect a significant increase in Dumped imports from China. This would have a devastating impact on EU producers".

According to China's '13th 5-Year New Materials Plan' there is a clear state-backed strategy to support Chinese producers by underwriting products being exported, below cost, to third markets - and in particular onto the EU market.

"We are expecting the vast overcapacities in glass fibre materials in China to increase over time. This creates terrible uncertainty for the future of European producers," pointed out Mr Jorns.

Chinese producers rapidly obtained more than 50% of EU market share before the EU's Anti-Dumping duties were imposed.

The current message from the Commission to European producers could not be clearer – or more alarming - there is no intention to defend European industry.

GlassFibreEurope supports TechFabEurope in its fight for fair market conditions. "We must wake up and stand united as an industry. We must pull the entire value chain together to stop the virulent

spread of illegal Dumping and circumvention practises by China. We must demand that international trade rules are respected and enforced by the European Commission," Mr Jorns concluded.