COMMISSION IMPLEMENTING REGULATION (EU) 2025/1342

of 11 July 2025

imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of multilayered wood flooring originating in the People's Republic of China

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union [1] ('the basic Regulation') and in particular Article 9(4) thereof,

Whereas:

1. PROCEDURE

1.1. Initiation

(1) On 16 May 2024, the European Commission ('the Commission') initiated an anti-dumping investigation with regard to imports of multilayered wood flooring (MWF) originating in the People's Republic of China ('the country concerned', 'the PRC', or 'China') on the basis of Article 5 of the basic Regulation. It published a Notice of Initiation in the *Official Journal of the European Union* [2] ('the Notice of Initiation').

(2) The Commission initiated the investigation following a complaint lodged on 4 April 2024 by the European Parquet Federation ('FEP' or 'the complainant'). The complaint was made on behalf of the Union industry of MWF in the sense of Article 5(4) of the basic Regulation. The complaint contained evidence of dumping and of resulting material injury that was sufficient to justify the initiation of the investigation.

1.2. Registration

(3) The Commission made imports of the product concerned subject to registration by Commission Implementing Regulation (EU) 2024/2733 [3] ('the registration Regulation').

1.3. Provisional measures

(4) In accordance with Article 19a of the basic Regulation, on 18 December 2024, the Commission provided parties with a summary of the proposed duties and details about the calculation of the dumping margins and the margins adequate to remove the injury to the Union industry. Interested parties were invited to comment on the accuracy of the calculations within three working days. The comments received were addressed in recital 390 of the provisional Regulation.

(5) On 15 January 2025, the Commission imposed provisional anti-dumping duties on imports of MWF originating in the People's Republic of China by Commission Implementing Regulation (EU) 2025/78 [4] ('the provisional Regulation').

(1) OJ L 176, 30.6.2016, p. 21,
(2) OJ C 2024/3186, 16.5.2024,
(3) Commission Implementing Regulation (EU) 2024/2733 of 24 October 2024 making imports of multilayered wood flooring originating in the People's Republic of China subject to registration (OJ L, 2024/2733, 25.10.2024.
(4) Commission Implementing Regulation (EU) 2025/78 of 15 January 2025 imposing a provisional anti-dumping duty on imports of multilayered wood flooring originating in the People's Republic of China, (OJ L, 2025/78, 15.1.2025,

1.4. **Subsequent procedure**

(6) Following the disclosure of the essential facts and considerations on the basis of which a provisional anti-dumping duty was imposed ('provisional disclosure'), several parties filed written submissions making their views known on the provisional findings within the deadline provided by Article 2(1) of the provisional Regulation. These parties were:

Importers and distributors

— F. W. Barth and Co. GmbH ('Barth'),

— Puderbach Holzhandel GmbH & Co. KG ('Puderbach'),

— Amorim Deutschland GmbH ('Amorim') and

— MEFO Floor GmbH & Co. KG ('MEFO Floor').

Chinese exporting producers

— Forest Group ('Forest'),

— Fusong Group ('Fusong') and

— Jinfa Group ('Jinfa').

Associations

— China National Forest Products Industry Association ('CNFPIA'),

— The European Parquet Federation ('FEP') and

— The Hardware Association of Ireland ('HAI'), representing two of its members, Canadia Distributors Limited and the Whiteriver group.

(7) The parties who so requested were granted an opportunity to be heard. Hearings took place with Forest, Fusong, Jinfa, the CNFPIA and FEP.

(8) The Commission continued to seek and verify all the information it deemed necessary for its final findings. When reaching its definitive findings, the Commission considered the comments submitted by interested parties and revised its provisional conclusions where appropriate.

(9) The Commission informed all interested parties of the essential facts and considerations on the basis of which it intended to impose a definitive anti-dumping duty on imports of MWF originating in China ('definitive disclosure'). All parties were granted a period within which they could make comments on the definitive disclosure.

(10) Following the definitive disclosure, several parties filed written submissions making their views known. These parties were: Amorim, Alliance of MWF Importers ('AUMI'), Barth, Corà Domenico & Figli Spa ('Cora Domenico'), CNFPIA, FEP, Holz-Richter GmbH ('Holz-Richter'), Forest, Fusong, Jinfa, Lovelin of London Ltd ('Lovelin'), MEFO Floor, Puderbach and Thede & Witte.

(11) Parties who so requested were also granted an opportunity to be heard. Hearings took place with Amorim, Barth, CNFPIA, Holz-Richter, Forest, Fusong, Jinfa and Thede & Witte.

1.5. **Claims on initiation**

(12) In the absence of comments on the initiation of the investigation after the imposition of provisional measures, recitals 20 to 28 of the provisional Regulation were confirmed.

1.6. **Sampling**

(13) In the absence of comments concerning the sampling of Union producers, importers and exporting producers in China, the Commission confirmed the conclusions set out in recitals 6 to 12 of the provisional Regulation.

1.7. **Investigation period and period considered**

(14) In the absence of comments concerning the investigation period ('IP') and the period considered, the Commission confirmed the conclusions set out in recital 19 of the provisional Regulation.

2. **PRODUCT CONCERNED AND LIKE PRODUCT**

(15) In the absence of any comments concerning the product under investigation, the product concerned and the like product, the Commission confirmed the conclusions set out in recitals 29 to 33 of the provisional Regulation.

3. **DUMPING**

3.1. **Normal value and procedure for the determination of the normal value under Article 2(6a) of the basic Regulation**

3.1.1. *Existence of significant distortions*

(16) In the absence of comments on the existence of significant distortions in the country concerned, the Commission confirmed its findings and conclusions set out in recitals 43 to 137 of the provisional Regulation.

3.1.2. *Representative country and calculation of benchmarks for selling, general & administrative ('SG&A') expenses and for profit*

(17) Comments on the choice of the representative country and on the Commission's calculation of benchmarks for SG&A and profit were provided by the European Parquet Federation ('FEP') and its members, acting as complainants in this investigation, four importers, namely Puderbach, Amorim, MEFO Floor and Barth, and by the three sampled exporting producers, i.e. the JINFA group, the Fusong group, and the Forest group.

(18) FEP supported the Commission's choice of representative country and the calculation of benchmarks for SG&A and for profit, as set out in the provisional Regulation.

(19) Puderbach, Amorim, MEFO and Barth claimed that the Turkish companies used in the provisional Regulation to establish SG&A and profit are unsuitable because these companies do not produce the product under investigation. Puderbach, Amorim, MEFO and Barth also stated that there are companies in South East Asia and in Europe (non-EU) which have not been considered by the Commission.

(20) The Commission noted that none of these parties identified any specific companies in their respective submissions, or any specific countries where companies producing MWF with readily available financial data might be found, neither did they propose any other method to establish SG&A and profit. Therefore, the claims were rejected.

(21) The JINFA group and the Fusong group claimed that Türkiye is not an appropriate representative country, in particular in comparison to Malaysia. Therefore, these parties argued that Malaysia should be used as the representative country instead of Türkiye.

(22) The Forest group claimed that the SG&A and profit calculated on the basis of data of the Turkish companies identified by the Commission are unreasonably high and that Malaysian producers should be used instead.

(23) All three sampled exporting producers stated that in case the Commission maintains the selection of Türkiye as the representative country, it should adjust downwards the benchmarks calculated for SG&A and for profit.

(24) The above claims and arguments of the sampled exporting producers are presented and addressed in more detail below.

(25) The JINFA group and the Fusong group claimed that Türkiye is not an appropriate representative country because of its exceptional economic situation and in particular hyperinflation in the year 2023 (i.e. the investigation period), which, in their view, inevitably affected all costs of production and other economic indicators, rending them unreliable as a source for the determination of the normal value. In relation to this claim, they provided the following arguments:

(a) The requirement of Article 2(6a)(a), second paragraph, first indent of the basic Regulation that the representative country has to have a similar level of economic development is not met by Türkiye because of its high inflation.

(b) Inflation distorts benchmarks of factors of production ('FoPs'). The Commission's argument that benchmarks are largely unaffected by inflation because they are expressed in terms of the stable Chinese Yuan (CNY) might hold for imported factors of production, but does not hold for locally sourced factors of production. This is evidenced by the development of costs of labour and electricity, which, even when expressed in stable currencies such as CNY and EUR, have increased considerably (by 58,6 % and 74 % respectively) in the period between 2022 and 2023.

(c) The requirement of Article 2(6a)(a), fourth paragraph of the basic Regulation, for an undistorted and reasonable SG&A and profit is not met, due to distortions related to hyperinflation. In particular, JINFA and Fusong claimed that the use of financial data from a country with high inflation would result in overstated profit and SG&A. In this context, they referred to the use of accounting standards developed for financial reporting in countries with hyperinflation, and in particular IAS 29 in the detailed financial report of Orma Orman Mahsulleri Integre Sanayi Ve Ticaret A.S., ('Orma') one of the two companies selected by the Commission for SG&A and profit benchmarks. On this point and providing similar arguments, the Forest group also claimed that the benchmarks for SG&A and for profit, calculated by the Commission on the basis of financial information available for the two Turkish companies, are distorted and should not be used without adjustments.

(26) With respect to point (a) above, the Commission noted that contrary to what the parties suggest, the requirement for the representative country to have a similar level of economic development does not imply that all main economic indicators need to be at similar levels. The level of economic development of a country is generally assessed by its level of income, and for that purpose, the classification of the World Bank is a criterion that is well established in the Commission's practice and confirmed by the Union courts ([5]). According to this classification, Türkiye and the PRC were both in the upper middle level income bracket for 2023, and therefore, they had a similar level of economic development, irrespective of their different inflation rates. In view of this, the respective claims were rejected.

(27) With respect to point (b) above, the Commission noted that the parties appear to conflate cost increases in nominal terms, which can indeed be attributed to inflation, with cost increases in real terms, which are attributable to other factors. In the case of both labour and electricity, there was an increase of cost in real terms for these factors from 2022 to 2023. The labour cost increases were largely a result of policy decisions of the Turkish government, including decisions adopted shortly before the 2023 presidential elections in the country ([6]). Similarly, cost increases in electricity followed similar trends in many other countries and were likely linked to the Russian military aggression against Ukraine. In any event, there is no evidence that these increases in real terms were caused by inflation. In fact, if there is a causal link, it would go in the opposite direction, that is, increase in real costs fuelling inflation, rather than the other way around. In view of these considerations, the respective claims were rejected.

(28) With respect to point (c) above, at the outset the Commission noted that the requirement for undistorted benchmarks for SG&A and profit in Article 2(6a)(a) of the basic Regulation should be placed in its appropriate legal context, that is, significant distortions as defined in Article 2(6a)(b) of the basic Regulation. In view of this, the Commission considered that the existence of inflation in a country does not automatically render financial data from that country distorted and unreasonable.

(5) Judgment of 21 June 2023, *Guangdong Haomei New Materials and Guangdong King Metal Light Alloy Technology* v *Commission*, T-326/21, EU:T:2023:347, paragraph 134-135.

(6) See for instance:

(29) The Commission also noted that there is no evidence of a clear link between inflation and high profitability, in particular for companies operating in manufacturing sectors, such as the MWF sector or the broader wood sector.

(30) In any event, as explained in recitals 46 and 47 below, the Commission accepted to use an alternative source of financial data for the establishment of an undistorted and reliable benchmark for SG&A and for profit for companies operating in the broader wood sector in Türkiye. This source is readily available and already includes an adjustment for inflation. Consequently, the Commission considered that point (c) is moot and the respective claims were rejected.

(31) Moreover, all three sampled exporting producers claimed that data from Malaysia are more appropriate for the establishment of reasonable and undistorted benchmarks for SG&A and profit. To substantiate their claim, the sampled exporting producers relied on the following arguments:

(a) The Malaysian economy did not suffer from hyperinflation and therefore the financial data reported for Malaysian companies do not require adjustments.

(b) Financial data for the IP (2023) are available for two producers of MWF in Malaysia, but for none in Türkiye. The Commission's reasoning for dismissing the two Malaysian producers as a source for SG&A and profit is unfounded. In particular, the argument that SG&A functions of Unilin Malaysia are performed by other group entities are speculative and entirely unsubstantiated. Moreover, the argument that the product produced by Kim Teck Lee Timber Flooring Sdn. Bhd ('KTL') is niche does not constitute a reason to exclude it, in particular in light of the fact that the Commission used data from Turkish companies that do not produce the product under investigation.

(c) The Forest group claimed that it identified three additional Malaysian producers of MWF, namely Dominant Enterprise Berhad, Hevea Board Berhad, and KLK Hardwood Flooring Sdn. Berhad and provided a financial statement relating to one of them (KLK Hardwood Flooring Sdn Berhad for 2023) while for the other two it noted that their financial statements were either unavailable for the relevant period, or they showed losses. On this basis, the Forest group requested KLK Hardwood Flooring Sdn to be used together with KTL and Unlin Malaysia for the calculation of SG&A and profit.

(d) The comparison of SG&A of producers in a possible representative country to that of Union industry or exporting producers has no legal basis, i.e. it is not part of Article 2(6a)(a) of the basic Regulation.

(e) The consideration of the level of development of the MWF sector has no legal basis (i.e. it is not part of Article 2(6a)(a) of the basic Regulation) and is contradicted by past Commission practice, for instance in cases Grain-Oriented Flat Rolled Products from China ([7]) and Alkyl Phosphate Esters from China ([8]). Moreover, Malaysia has a sufficiently developed MWF sector and in any event, the Commission has used companies from the broader wood sector, in which Malaysia is very developed.

(f) If the Commission considers a broader wood sector in Türkiye, it should do the same in Malaysia.

(32) With respect to point (a), the Commission observed that as explained in recital 162 of the provisional Regulation, the MWF sector is significantly more developed in Türkiye in comparison to Malaysia. The respective argument was therefore rejected.

([7]) Commission Implementing Regulation (EU) 2022/58 of 14 January 2022 imposing a definitive anti-dumping duty on imports of certain grain-oriented flat-rolled products of silicon-electrical steel originating in the People's Republic of China, Japan, the Republic of Korea, the Russian Federation and the United States of America following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L 10, 17.1.2022, p. 17,

([8]) Commission Implementing Regulation (EU) 2024/2415 of 12 September 2024 imposing a definitive anti-dumping duty and definitively collecting the provisional duty imposed on imports of certain alkyl phosphate esters originating in the People's Republic of China (OJ L, 2024/2415, 13.9.2024, recital 162.

(33) With respect to point (b), the Commission noted that its statement in the provisional Regulation on the nature of Unilin (Malaysia) Sdn. Bhd's activities are not speculative. In view of the fact that the company is part of a multinational group and its operations are focused on production, it has been confirmed ([9]) that Unilin (Malaysia) Sdn. Bhd only sells its manufactured goods intragroup and does not currently engage in sales with independent parties. For this reason, certain SG&A functions, such as sales, marketing, research and development are to a large extent centralised, and their costs are not included and are not reflected in the company's reported SG&A. Therefore, it is fully justified not to consider the financial data of this company for the establishment of benchmark for profit and for SG&A.

(34) Moreover, as regards Kim Teck Lee Timber Flooring Sdn. Bhd, the Commission clarified that it does not consider its levels of SG&A (18,5 %) and profit (8,8 %), both expressed as a percentage of goods sold, unreasonable as such. In view however of the highly specific and non-representative nature of the product produced by this company, the Commission does not consider it appropriate to rely exclusively on this company for the establishment of benchmarks for SG&A and for profit.

(35) The arguments related to point (b) were therefore rejected.

(36) With respect to point (c), for two out of the three companies, i.e. Dominant Enterprise Berhad and Hevea Board Berhad, the Commission found no evidence that these companies are indeed producers of MWF, nor did the Forest group provide any such evidence. Moreover, as the Forest group stated, their financial statements were either unavailable for the relevant period, or they showed losses. For the third company, i.e. KLK Hardwood Flooring Sdn Berhad, the Commission noted that the financial report submitted by the Forest group does not concern this company, but the group to which the company belongs, that is, the Kuala Lumber Kepong Berhad group. The group, which has a broad range of activities had an enormous consolidated revenue of about 5,1 billion USD in 2023 (ending 30 September 2023), with a positive profit. In comparison, for the same period, its flooring subsidiary, KLK Hardwood Flooring Sdn Berhad had according to ORBIS a revenue of about 16 million USD, and a negative profit. It is therefore clear that none of the above companies can be used for the establishment of undistorted and reasonable amount for SG&A and profit. The respective claims were therefore rejected.

(37) With respect to point (d), the Commission noted that Article 2(6a)(a) of the basic Regulation is not prescriptive as regards the criteria which should be used to consider an SG&A or profit margin as reasonable, leaving to the Commission a rather broad discretion. While indeed the respective margins in the Union or in the country concerned would not be as such appropriate as benchmarks, they can be an additional element to inform the assessment of whether benchmarks in possible representative countries are reasonable. The respective argument was therefore rejected.

(38) With respect to point (e), the Commission noted that, contrary to what was suggested by the parties, its approach in the provisional Regulation is not contradicted by its practice in other cases. Unlike the present case, in *Grain-Oriented Flat Rolled Products from China*, the issue was whether the requirement for a similar level of economic development should take a narrow interpretation to concern the specific industrial sector, or as the Commission maintained, it should concern the overall economic development of the country, as reflected in its classification by the World Bank. In case *Alkyl Phosphate Esters from China*, the issue was whether the allegedly low level of development of a sector in a possible representative country was in itself sufficient to outright dismiss that country, even if there were no other potential representative countries. In the present case, the fact that the MWF sector in Malaysia is underdeveloped called into question the relevance of the available financial data for the establishment of reasonable and undistorted benchmarks for SG&A and for profit. As regards the use of data from the broader wood sector in Türkiye, the Commission considered it likely that the broader wood sector operates in similar conditions as the MWF sector, for instance concerning cost of materials, labour costs, market demand, intensity of competition and technological development. In fact, the larger the MWF sector, the more likely such similarities become. In comparison to the many tens of companies producing MWF in Türkiye, the respective companies identified for Malaysia remain less than five. Moreover, exports of MWF from Türkiye remain significantly higher compared to Malaysia. In view of this, the Commission concluded that financial data from the broader wood sector in Türkiye could be used to establish a reasonable and undistorted benchmark for SG&A and for profit. In any case, Commission's previous practice is not binding as each case is assessed on its own merits. The respective arguments of the parties were therefore rejected.

([9]) The evidence is part of the confidential file of the investigation.

(39) With respect to point (f), this is addressed in recital 47 below.

(40) Exporting producers also argued that if Commission insists on Turkey, it should make downward adjustments to the calculated SG&A and profit. In particular, it should:

(a) Deduct transport and related costs from the SG&A. In the case of Orma's financial report, these are reflected in an item amounting to 169 637 781 TL and translated as 'export, freight and port expenses';

(b) Deduct the part of the profit that is separately disclosed as 'net gain/loss on the net monetary position' in accordance with IAS 29, as this is a fictitious profit linked to inflation;

(c) Deduct financial expenses from the SG&A, in particular expenses linked to interest paid, also because they are linked to inflation.

(41) As regards point (a) above, as explained in recitals 46 and 47 below, the Commission accepted to use an alternative source of financial data. Consequently, the claim concerning transport related costs in Orma's financial report was rejected.

(42) As regards point (b) above, the Commission considered that while the separately disclosed item 'net gain/loss of reporting on the net monetary position' is linked to inflation, its exclusion cannot be considered an appropriate way to adjust profits for inflation. That is, it cannot be considered that by excluding this item, the resulting profits would represent the profits of the company in the scenario that there was low or no inflation. This is because inflation would also affect revenues and costs that are not included in this item, such as the (nominal) rise in costs of inputs and prices of products of the company.

(43) Similarly, as regards point (c) above, the Commission considered that the deduction of financial expenses, and in particular interest, would not result in the operating expenses that the company would have to incur in the absence of high inflation. This is because, the company would have to incur a level of financial expenses irrespective of inflation. Moreover, the way financial expenses are affected by inflation, in particular as a percentage of the cost of goods sold, would depend on the precise terms of financing agreements, e.g. the indexing according to inflation or the link to a stable currency.

(44) The Commission further noted that, irrespective of the merits of the parties' arguments for adjustments, such adjustments would be possible only for the financial data of Orma, for which detailed financial reports exist. For the other Turkish producer, AGT, such detailed report is not available, and it cannot be presumed that any adjustments appropriate for Orma would be appropriate also for that company.

(45) As an alternative to adjusting data of individual Turkish producers, the Forest group suggested to establish benchmarks for SG&A and profit based on the Turkish government's data of the average operating expenses and operating profit of the companies involved in the 'Manufacture of products of wood, cork, straw and plaiting materials', i.e. NACE - C-162 ([10]). Forest group considered that this would be the most reasonable approach in the present context and the Turkish government data are official and reliable. Moreover, as regards the SG&A, Forest group suggested to deduct expenses relating to the transport and insurance, handling and loading/distribution, e.g. based on a ratio calculated from the financial statements of Orma.

(46) The Commission agreed that the data published by the Central Bank of Türkiye on the financial results of companies with activities under NACE – C-162, are official and reliable. Moreover, the Commission noted that, based on the total revenue, they appear to include a much more comprehensive group of companies, and therefore they are significantly less likely to be affected by specificities of individual companies. Moreover, the Commission noted that these data include adjustments for inflation, further strengthening the reliability of the data.

(47) In view of this, the Commission agreed to use these data to establish new benchmarks for SG&A and for profit. The Commission also noted that it has been unable to find any financial data with a comparable scope, detail and reliability for companies operating in Malaysia.

(48) The Commission considered that, although not reported under operating expenses, financial expenses are incurred for the operation of the company and therefore, they should be included in the SG&A.

(49) As regards transport costs and following the claim described in recital 40 above, the Commission noted that in the data published by the Central Bank of Türkiye lacked detailed information on these costs. Therefore, the company's claim to deduct transport cost from SG&A was rejected.

(50) As regards the calculation of profit, the Commission initially took into account the operating profit (with inflation adjustments) and the financial expenses reported by the Turkish Central Bank.

(51) On this basis, SG&A expressed as a percentage of the Costs of Goods Sold ('COGS') and applied to the undistorted costs of production, amounted initially to 22,0 %. The profit expressed as a percentage of the COGS and applied to the undistorted costs of production, amounted initially to 9,7 %.

(52) Following definitive disclosure, the FEP requested that for the calculation of amounts for SG&A costs and for profit, the Commission reverts to the use of the financial data of the Turkish producers identified in the provisional regulation, rather than rely on the data from the Turkish Central Bank for activities falling under NACE-162. The FEP argued that this category includes products which are significantly more distant and different from the product concerned, in terms of production, cost and pricing, therefore making this source of data less reliable and less appropriate.

(53) The Commission noted that neither of the two Turkish companies identified in the provisional regulation are producers of the product under investigation. The FEP has not explained why in comparison to these two companies (whose data is in all likelihood also included in the data of the Turkish Central Bank), other companies included in the data of the Turkish Central Bank would produce products which are on average significantly more distant and different from the product concerned, in terms of production, cost and pricing. If follows that data pertaining to the operations of numerous companies in the relevant sector, likely including producers of the product under investigation, is a more reliable source for reasonable amounts than data pertaining to two companies that do not produce the product under investigation. The arguments of the FEP were therefore rejected.

(54) The FEP also noted that for the calculation of a benchmark for profit on the basis of the data from the Turkish Central Bank, the Commission used only the operating profit. According to the FEP, this represents a departure from the Commission's standard practice. The FEP therefore requested that the profit before tax is used instead, which includes also income and expenses from other operations as well as extraordinary income and expenses.

(55) The Commission noted that in the data reported by the Turkish Central Bank, the profit before tax included income related to dividends from participations. This income was extraordinarily high in 2023. In view of this, the Commission considered that the profit before tax for this year, which includes this income, would not be an appropriate basis for the calculation of a reasonable amount for profit. This issue does not arise for the financial data for 2022, which as explained in recitals 75 to 76 below, the Commission used for its revised calculations.

(56) Fusong reiterated its claim that the levels of inflation in Turkiye call into question the appropriateness of Turkiye as a representative country and that Malaysia should be selected instead. In particular, Fusong argued the following:

(a) High inflation is an important and relevant factor to consider in addition to Gross National Income Classification of the World Bank. According to Fusong, it is undeniable that the more economic indicators in proximity a representative country has in comparison to China, the more reasonable and representative the undistorted values of cost and price established in that country will be. In this regard, Fusong considered that the Court judgment referred to in recital 26 has no bearing on the present case, as the applicant did not contest the similarity in the level of economic development. Moreover, Fusong considered that the choice of Turkiye fails to meet the criterion set by the Court that the Commission must use a third country in which prices are formed in circumstances that are as similar as possible to those in the country of export.

(b) The locally sourced factors of production, and in particular labour and electricity costs are distorted by high inflation. In this regard, Fusong argued that the decision of the Turkish government to increase the minimum wages and therefore the labour costs was a result of the soaring inflation. Moreover, as regards the effects on the electricity prices in Turkiye of the Russian military aggression against Ukraine, Fusong argued that China was not subject to such effects.

(c) The financial data relied upon by the Commission are not adjusted by inflation and remain distorted and unreliable. In this regard:

(a) Fusong contested the view of the Commission that there is no evidence of a clear link between inflation and high profitability, in particular for companies operating in manufacturing sectors, such as the MWF sector or the broader wood sector. Fusong claimed that the mandatory application of the accounting standard IAS 29 by Turkish companies as of 2023, as well as the results of the application of this standard in the case of Orma show the existence of such link and that the appropriate way to adjust for inflation is to eliminate the gains on the net monetary position.

(b) Fusong considered that the Commission has not explained the relevance of significant distortions, as defined in Article 2(6a)(b) of the basic Regulation for the assessment of the reliability of financial data, in particular with respect to the effects of inflation. According to Fusong, the establishment of undistorted benchmarks for SG&A costs and for profit, as required by Article 2(6a)(a) of the basic Regulation, should undoubtedly be based on reliable and undistorted financial data.

(c) Fusong referred to the Metadata of the source used by the Commission, which indicates that '[f]or 2023 data, the study employs financial statements not adjusted for inflation within the scope of the Tax Procedure Law General Communiqué (Sequence No: 555)', concluding that these data remain distorted and unreliable.

(d) The Commission erred in considering the size of the MWF sector in Malysia, as the industrial size is not a pre-requisite or predominant criterion for selecting a representative country. Fusong argued that the financial data of Kim Teck Lee Timber Flooring Sdn. Bhd, which the Commission did not consider as unreasonable as such, would be significantly more appropriate than the financial data in Türkiye. Moreover, Fusong argued that instead of relying on data from the broader wood sector in Türkiye, the Commission should have used data from the broader wood sector in Malaysia, identified via research.

(57) As regards point (a) above, the Commission noted that there is a plethora of indicators that can be used for the assessment of a country's economy, including multiple indicators for the levels of employment, debt, investment, balance of trade and value added by different sectors. While Fusong considers a need for proximity in as many economic indicators as possible, it does not explain which additional indicators – besides inflation - are relevant for meeting the criteria of Article 2(6a)(a) of the basic Regulation or what should be their relative weight in the assessment. As regards specifically inflation, accepting Fusong's argument would imply that in case the country concerned is a country with hyperinflation, only countries with hyperinflation could be considered for the selection of the representative country, which would often make such selection impossible. As to inflation allegedly 'distorting' the relevant data, this is addressed in recital 65.

(58) The Commission further noted that the Gross National Income (GNI) per capita, used by the World Bank for the classification of countries into four groups, is measured in a stable currency (USD) and therefore already takes differences in inflation between countries into account. Therefore, using this indicator provides an objective and tractable method to assess whether two countries have a similar level of economic development for the purposes of Article 2(6a)(a) of the basic Regulation, and has been consistently accepted as appropriate for those purposes by the Union courts. As regards the requirement set by case law that the Commission must select a country in which 'prices are formed in circumstances that are as similar as possible to those in the country of export', the Court made it clear that by satisfying the criterion of similar level of economic development, this requirement is met.

(59) In view of the above, Fusong's claims in point (a) were rejected.

(60) As regards the labour costs referred to in point (b), the Commission noted that according to the arguments provided by Fusong and the references it provided to substantiate them, the aim of the Turkish government when raising the minimum wages during 2023 was to restore the Turkish citizens' purchasing power. This means that the Turkish government aimed to restore labour costs to the level that would be commensurate with the level of the overall economic development in the country. In view of this, there is no reason to consider that the level of these costs in the IP (expressed in CNY) was distorted.

(61) As regards the electricity costs referred to in point (b), the Commission noted that while Fusong appears to concede that their increase (in real terms) is unrelated to inflation, it argues that they should still be considered as distorted because China did not suffer similar increases, and that for that reason, Türkiye does not fulfil the condition of appropriateness to be selected as the representative country. The Commission noted that in view of the established existence of significant distortions in China in the meaning of Article 2(6a)(b) of the basic Regulation, the evolution of prices in China is not relevant for the assessment of distortions in potential representative countries.

(62) In view of the above, Fusong's claims in point (b) were rejected.

(63) As regards point (c)(i) the Commission noted that Fusong did not sufficiently substantiate its claim on the alleged link between inflation and high profitability, neither for MWF sector, nor for the broader wood sector. As explained in recital 42, the use of the accounting standard IAS 29 mandated by the Tax Procedure Law General Communiqué (Sequence No: 555) for 2023 does not mean that in the absence of inflation, a company would have realised a level of profits which, in comparison to the profit actually realised, would be lower by the amount reported as net monetary gain. Moreover, the situation of a single company cannot be generalised, neither to the MWF sector, nor to the broader wood sector.

(64) Notwithstanding the above, the Commission compared inflation rate and profitability in the years from 2020 to 2023, in which the inflation rate in Türkiye experienced significant fluctuations (from 12 % in 2020 to a peak of 72 % in 2022), using the financial data published by the Turkish central bank for companies operating in the broader wood sector (NACE C-162). For profitability, two measures were used, both expressed as a percentage of COGS: a) operating profit; and b) profit before tax and before extraordinary income/expenses ([11]). It is worth recalling that these data concern an entire sector including more than 2 000 companies and therefore are less likely to be affected by specificities of individual companies. It is clear from a simple observation of the data that the significant increases in inflation were not followed by increases in profitability. This is because, while profits increased ([12]), so did the costs. Nevertheless, to quantify this relationship in the data, the Commission calculated the correlation coefficient ([13]), which in this case is negative for both measures of profitability. While the Commission does not claim that this result should be regarded as conclusive evidence of a negative relationship between high inflation and profitability (i.e. profitability going down when inflation goes up), it nevertheless strongly negates Fusong's claim that hyperinflation results in overstated profitability. This is because if Fusong's claim were correct, in particular for the period and sector under consideration, the expectation would be to observe in the data a positive or even strongly positive (close to +1) correlation coefficient, which is not the case:

([11]) This is the measure used by the Commission for its revised calculation of a reasonable amount for profit. See recital 76 below.

([12]) Profits in absolute terms are not comparable between different years, also because the number of companies included in the report change from year to year (from 2 346 in 2020 to 3 249 in 2023).

([13]) The correlation coefficient measures the strength and direction of a linear relationship between two variables, e.g. inflation rate and profitability. The value of the correlation coefficient ranges from -1 to +1. A positive value implies that the two variables move together and in the same direction, i.e. when one variable increases, the other variable also increases. Conversely, a negative value implies that when one variable increases, the other variable decreases. The formula for the most commonly used correlation coefficient ('Pearson correlation coefficient') is $r = [\Sigma (xi - mean\_x)(yi - mean\_y)] / [sqrt(\Sigma (xi - mean\_x)^2) * sqrt(\Sigma (yi - mean\_y)^2)]$, where xi and yi are the individual data points from variables X and Y, mean_x is the mean (average) of all the xi values, mean_y is the mean (average) of all the yi values, Σ stands for the sum over all data points (from i = 1 to n), and sqrt means square root.

(monetary amounts expressed in thousand TRY)	2020	2021	2022	2023
Inflation rate in Türkiye (*)	12 %	20 %	72 %	54 %
Operating profit (OP) (**)	3 999 790	9 958 534	14 072 992	15 253 814
Profit before tax & before extraordinary revenues/expenses (PBT) (**)	2 535 251	9 096 767	8 995 295	22 990 243
Cost of Goods sold (COGS) (**)	26 219 734	48 717 078	106 542 623	156 950 213
OP as % of COGS	15,3 %	20,4 %	13,2 %	9,7 %
PBT as % of COGS	9,7 %	18,7 %	8,4 %	14,6 %

Correlation coefficient between inflation rate and profitability (OP as % of COGS)	— 0,65
Correlation coefficient between inflation rate and profitability (PBT as % of COGS)	— 0,36

(*) *Source*: Turkish Statistical Institute.
(**) *Source:* Turkish Central Bank.

(65) As regards point (c)(ii), and as explained in recital 28 the Commission considered that when it comes to the determination of an undistorted amount for SG&A costs and for profit, the meaning of distortions has to be put in its specific legal context, which is the significant distortions listed in Article 2(6a)(b) of the basic Regulation. Without such context, the meaning of distortions remains entirely vague and open-ended. In view of the high number of factors affecting prices in a country, if interpreted differently meeting the requirement for undistorted benchmarks and amounts would become nearly impossible. Moreover, even if the ordinary meaning of 'distortion' was to be followed, in *CCCME* the General Court elaborated on the meaning of 'distorted data' in the context of an allegation that the Commission used such data in its construction of the normal value under Article 2(6a) of the basic Regulation. The Court found that to be considered as 'distorted' it must be demonstrated that such data 'have been manipulated or are not true to reality' ([14]). Similarly to the applicants in in *CCCME*, Fusong failed to provide evidence to such effect.

(66) As regards point (c)(iii), the Commission noted that, contrary to what Fusong suggests, the data published by the Turkish Central Bank include adjustments for inflation, both in the income as well as in the expenses. While these adjustments are not in the scope of the Tax Procedure Law General Communiqué (Sequence No: 555) for 2023, the Turkish Central Bank considered the reported financial data as sufficiently reliable, accurate and informative to be worthy of publication and use.

(67) In view of the above, the Fusong claims on point (c) where rejected.

(68) As regards point (d), the Commission clarified that the industrial size is not a criterion as such under Article 2(6a)(a) of the basic Regulation. However, as explained in recital 38, the fact that the MWF sector in Malaysia is underdeveloped calls into question the appropriateness of the available financial data for the establishment of reasonable and undistorted amounts for SG&A costs and for profit. This is in particular the case because these data are limited to a single company with highly specific activities that are likely non-representative for the MWF sector.

([14]) Judgment of 2 October 2024, *China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME) and Others* v *European Commission*, T-263/22, ECLI:EU:T:2024:663, para. 73.

The Commission, therefore, did not consider it appropriate to rely exclusively on this company's data for the establishment of reasonable and undistorted amounts for SG&A costs and for profit. The Commission considered that conversely, the size of the MWF sector in Türkiye makes it likely that the broader wood sector operates in similar conditions as the MWF sector, and therefore the data for the broader wood sector in Türkiye can be used to establish the reasonable and undistorted amounts for SG&A costs and for profit. As regards Fusong's urge to use data for the broader wood sector in Malaysia, it was explained in recital 47, the Commission was not able to find such data. Moreover, Fusong did not provide such data either, nor did it suggest any possible sources.

(69) In view of the above, Fusong's claims on point (d) were rejected.

(70) Following definitive disclosure Fusong commented on the calculation of the amounts for profit and for SG&A costs and claimed that, whilst the Commission included the financial expenses in the SG&A costs, the same financial expenses were, however, not deducted from the profit which was based on the operating profit rather than on the profit before tax. Therefore, the methodologies applied for the establishment of the amounts for the SG&A costs and for profit were inconsistent and asymmetric.

(71) The Commission noted that in the financial data published by the Central Bank of Türkiye for companies with activities under NACE – C-162, the income from other operations includes an item called 'Dividends from participations'. For 2023, which is the year initially used for the Commission's calculation, this item was extraordinarily high in comparison to all previous years and would have a significant impact if included in the calculation of the amount for profit.

(72) For this reason, in its calculation of an amount for profit, the Commission initially used in the definitive general disclosure document the operating profit, which does not include the above item, divided by COGS. In its calculation of a reasonable amount for SG&A costs, the Commission used the sum of operating expenses and financing expenses (long- and short-term liabilities), also divided by the COGS.

(73) The claim of Fusong that the above methodology for the calculation of benchmarks for profit and for SG&A costs is inconsistent and asymmetric was found to be justified. Indeed, while the operating profit should cover also the respective financing expenses in order for the company to be profitable, such financing expenses had been included also in the calculation of the SG&A costs. In other words, the methodology followed in the general disclosure document included financial expenses in both amounts resulting in double counting of financial expenses.

(74) In order to remedy the double counting, it would be necessary to use the profit before tax which would however include 'Dividends from participations' which as explained above in recital 71 were found to be extraordinarily high. It was therefore concluded that using the data published by the Central Bank of Türkiye for companies with activities under NACE – C-162 for 2023 is not appropriate as the profitability of the sector was heavily impacted by that item.

(75) In view of the above, the Commission revised its calculation of the amounts for profit and for SG&A, using the financial data published by the Central Bank of Türkiye for companies with activities under NACE – C-162 for 2022. In that year, as well as in previous years, the dividends from participations were at minimal levels and therefore had no impact on the overall profitability of the sector. The amount for SG&A costs and for profit based on the 2022 figures were therefore considered by the Commission as reasonable within the meaning of Article 2(6a)(a) of the basic Regulation.

(76) For the revised calculation of the undistorted and reasonable amount for profit, the Commission used the profit before extraordinary items divided by the COGS, noting that the profit before extraordinary items is already net of financial expenses. For the revised calculation of the amount for SG&A costs, the Commission used the same approach as in the general disclosure document, i.e. the sum of operating expenses and financing expenses divided by the COGS based on the financial data published by the Central Bank of Türkiye for companies with activities under NACE – C-162 for 2022.

(77) Following the revision on this basis, SG&A expressed as a percentage of COGS and applied to the undistorted costs of production, amounted to 16,1 %. The profit expressed as a percentage of the COGS and applied to the undistorted costs of production, amounted to 8,4 %. An additional disclosure was issued on 12 May 2025 in this respect (hereafter also referred to as 'ADD').

(78) Following definitive disclosure, and referring to the calculation of the SG&A costs on the basis of the data reported by the Central Bank of Türkiye for companies with activities under NACE – C-162 for 2023, Forest reiterated its request for the exclusion of what it considered as extraordinarily high finance expenses. Instead, Forest suggested to calculate the SG&A costs on the basis of operating expenses, or in the alternative, using the finance expenses to COGS ratio of 2022.

(79) In view of the revision of the calculation of SG&A costs on the basis of the respective 2022 data as explained in recital 76 above, the Commission considered the point moot.

(80) Following the ADD, the Commission received comments from the FEP, Fusong, and Forest.

(81) In its comments, the FEP opposed the changes in the calculation of profit and SG&A costs, claiming the following:

(a) The Commission's methodology for establishing the undistorted benchmarks for SG&A costs and profit in ADD is misguided and unjustifiably departs from the IP in favour of 2022 data, contrary to the Commission's past practice. In particular:

(a) The comparison between 2022 and 2023 of the profit before tax expressed as a percentage of COGS shows that income from dividends in 2023 has no significant impact and

(b) the use of profit before tax in 2023 would not lead to asymmetries or double counting, and would not be excessive – as evidenced by other cases in which Türkiye was selected as the representative country.

(b) The determination of profit based on profit before extraordinary items instead of profit before tax is unjustified and incorrect and also goes against past Commission practice;

(c) The reduced anti-dumping duties calculated in the ADD are too low and insufficient to protect the Union industry from dumped and injurious imports from China; and

(d) The Commission's late change of methodology for establishing the SG&A costs and profit benchmarks results in a procedural grievance, as the Commission did not inform the complainants in due time of the reasons for relying on operating profit (while it appears that it did so for exporting producers) and has failed to address the complainants' earlier comments in this regard thus far.

(82) As regards points (a) and (b), the Commission noted that in the comparison made by the FEP, the difference in the calculated amount of profit between the year 2022 and 2023 using profit before tax would be about 50 %, and therefore, contrary to what the FEP appears to suggest, would have a very significant impact in the calculation of normal value. In any event, the comparison of results between the year 2022 and 2023 using profit before tax is irrelevant. The issue that the Commission addressed in its additional disclosure is primarily an issue of methodology, which however also affects the dumping calculation. As explained in recital 71 above, the Commission considered that including in its calculation an item that appears both extraordinary and entirely unrelated to the companies' activities would be incorrect for the purposes of this calculation.

(83) As regards the use of financial data from a period that does not coincide with the IP, the Commission noted that in any event, past practice is not binding, and each case is assessed on its own merits. According to the case-law, the lawfulness of a regulation imposing anti-dumping duties must be assessed in the light of legal rules and, in particular, the provisions of the basic Regulation, not on the basis of the EU institutions' alleged previous practice in taking decisions (see, to that effect and by analogy, judgments of 10 February 2021, *RFA International* v *Commission*, C-56/19 P, EU:C:2021:102, paragraph 79; of 4 October 2006, *Moser Baer India* v *Council*, T-300/03, EU:T:2006:289, paragraph 45; and of 18 October 2016, *Crown Equipment (Suzhou) and Crown Gabelstapler* v *Council*, T-351/13, not published, EU:T:2016:616, paragraph 107).

(84) Moreover, the Commission considered that the level of profits used in other cases with Türkiye as a representative country is also irrelevant and cannot be used to assess whether the amount of profit established in the case at hand is reasonable or excessive. In this respect the Commission noted that the cases referred to by the FEP in their submission concern sectors other than the MWF sector or even the broader wood sector.

(85) As regards point (c), the Commission noted that pursuant to the basic Regulation, the calculation of the dumping margin is entirely independent of the calculation of the injury margin. Therefore, the consideration of the closeness of the dumping margin to the injury margin is entirely irrelevant.

(86) As regards point (d), the Commission clarified that, contrary to what the FEP suggests, the reasons for using operating profit in the definitive disclosure were made known at the same time to all interested parties.

(87) In its comments following additional disclosure, Fusong claimed the following:

(a) The Commission's decision to disregard the financial data of 2023 and rely on those of 2022 renders the selection of Türkiye as an appropriate representative country particularly problematic and unjustified, and that Malaysia should be chosen instead. To substantiate its claim, Fusong argued that under Article 2(6a)(a) of the basic Regulation and the Commission's established practice demand that the readily available data, including the financial data, must not only be undistorted and reliable, but also be pertained to the sector of the product under investigation and to the period of investigation.

(b) The inclusion of certain items under the categories Income/Expenses from other operations, and in particular 'Dividends from Participations' in the profit before tax for the determination of the benchmark for profit is erroneous. The 'Dividends from Participations' refer to income from investment activities instead of MWF production and sales activities and therefore should be excluded by nature from the calculation of benchmark for profit. The same applies to the other items, such as 'Dividends from Affiliated Enterprises', 'Provisions that are Cancelled', 'Income from Sale of Securities' and 'Inflation Adjustment Profits', which are either unrelated to the activities of the product under investigation or purely result from accounting treatment without actual transaction basis.

(c) The asymmetry in the calculation of profit and SG&A costs persists, because income and expenses from other operations are part of the profit calculation, while they are not part of the SG&A costs calculation. Fusong argued that if the income and expenses from other operations are excluded from both the profit and SG&A calculation, the profit expressed as a percentage of the COGS should be 5,8 %, instead of 8,4 %. If, on the contrary, the Commission considers them necessary to be included in both the profit and SG&A calculation, the SG&A expressed as a percentage of the COGS should be 13,4 % instead of 16,1 %.

(88) In response to point (a), and as explained in recital 71 above, while the data of 2023 were reliable, they did not allow for the calculation of a reasonable amount for profit and for SG&A costs. The use of data from a period which does not coincide with the IP was justified in the case at hand in the absence of appropriate data for the IP in Türkiye or any other possible representative country for the reasons explained in recitals 46 to 48 and recital 76 above. In this case the Commission used data of 2022, which it considered reliable and sufficiently recent and therefore leading to amounts for SG&A costs and for profit that are 'undistorted' and 'reasonable' within the meaning of the last sub-paragraph of Article 2(6a)(a) of the basic Regulation. Fusong failed to demonstrate the opposite.

(89) In response to point (b), the Commission considered that income from other operations and expenses from other operations are generally part of the normal operations of a company in a manufacturing sector. Provided that their magnitude is not extraordinary, as shown for instance by comparing it against the key operating items such as turnover or operating profit, they can be included in the calculation of reasonable amounts for profit and for SG&A costs. Fusong failed to show that including such income would lead to amounts for SG&A costs and for profit that are either not reasonable or distorted.

(90) In response to point (c), the Commission considered that, contrary to what Fusong claims, there is no asymmetry in the calculation. As regards the two alternative calculations suggested by Fusong, the Commission observed that in both alternative calculations, income and expenses from other operations are effectively completely disregarded. For the reasons explained in recital 89 above, the Commission did not consider appropriate to disregard them, and therefore, did not accept Fusong alternative calculations.

(91) In view of the above, Fusong's claims were rejected.

3.1.3. *Benchmarks for factors of production*

(92) The Forest group claimed that the use of sawn wood to construct a benchmark for veneers is unjustified, without however providing any elements to substantiate this claim in the open version of its comments.

(93) The Commission considered that its approach for the establishment of a benchmark for veneers on the basis of the cost for sawn wood is fully justified, in light of the fact that prices of veneers are significantly influenced by the wood species and therefore a benchmark based on a generic HS code regardless of the wood specie would not reflect the real market prices of veneers, as explained in detail in recital 170 of the provisional Regulation. In view of the fact that the Forest group did not provide any elements to substantiate its claims and to contradict the Commission's conclusions, these claims were rejected.

(94) The Fusong Group claimed that the application of an undistorted benchmark for the main input material, namely oak logs used by the group in the production of the product concerned, was unwarranted. The company asserted that the vast majority of logs are purchased directly from Europe, as it claimed was confirmed by supporting documents presented during the investigation. According to the company, the prices of oak logs are non-distorted and reflect the international market conditions. Moreover, the company stated that purchasing transactions prices were expressed in euro and there is no local production of oak logs due to the natural forestry felling ban. Thus, in Fusong's opinion, the prices could not be affected by the distortions in China.

(95) The claims concerning the direct purchasing of logs were not supported by adequate evidence. The Commission was not presented with any evidence confirming that the company purchased a significant quantity of raw materials directly from European suppliers. From the documents and information provided in the investigation by the exporting producer, it is apparent that nearly all logs were purchased from Chinese companies (traders), even though the goods were dispatched from third countries. The company did not present any evidence contradicting the established significant distortion in the PRC, as described in section 3 of the provisional regulation. There was no further elaboration on how the currency used for purchasing affects distortion in the market, and the Commission did not consider this argument relevant to the analysis in this matter. Furthermore, the ban on harvesting oak for commercial use does not preclude the existence of distortion. It must be recalled that the distortion pertains to the entire wood sector, including suppliers, as mentioned in recital 125 of the provisional regulation: 'When the producers of the product concerned purchase/contract these inputs, the prices they pay (and which are recorded as their costs) are clearly exposed to the same systemic distortions mentioned before. For instance, suppliers of inputs employ labour that is subject to distortions. They may borrow money that is subject to distortions in the financial sector/capital allocation. In addition, they are subject to the planning system that applies across all levels of government and sectors.' Given that the vast majority of logs are purchased from Chinese companies, the Commission was unable to positively establish, on the basis of the evidence on file, that the purchase costs of the oak logs by the Fusong Group were not distorted. The claim was therefore rejected.

(96) Following definitive disclosure, the Fusong Group further claimed that they purchased the vast majority of oak logs from traders based outside mainland China, based outside mainland China, in a third country which cannot be disclosed due to confidentiality reasons. These traders are incorporated under local law and should not be considered as Chinese traders. Moreover, the two main traders are part of the worldwide groups, and one listed on the NASDAQ and is subject to the US stock exchange regulations and governance rules. Fusong repeated that logs are shipped directly from Europe. In Fusong's opinion, the prices are at the market level and therefore benchmark for oak logs should not be applicable.

(97) The Commission stated that the place of dispatch the goods is irrelevant in the assessment of the price distortion. As it was established in recital 54 the distortion concerns also suppliers. The fact that the company is based outside mainland China, in a third country which cannot be disclosed due to confidentiality reasons, does not change the fact that the trader in fact is a Chinese owned company and is affected by the significant distortions found for the country. It must be noted, that the main supplier, which holding company is listed on the NASDAQ, has a subsidiary company in mainland China, and moreover the beneficial owner and director of the holding company is a member of one of the committees of the Chinese People's Political Consultative Conference. The relations of the trader's management with the Chinese political body and ownership of the Chinese based company also confirms that purchases via this trader shall be considered as subject to distortions. As regards the second group, the company is located in the same country as the previous one, and their price are at the similar level as the major supplier, what indicates that are also affected by the distortions. Finally all these suppliers are active on the Chinese market and therefore their prices are affected by the significant distortions through forces of competition. Therefore, the claim was rejected.

(98) Following the additional disclosure, which did not address the claim on the benchmark prices for logs, Fusong requested the Commission to reconsider its assessment in this regard by referring to the comments on the definitive disclosure. The Commission's assessment remained unchanged.

(99) Following definitive disclosure, Fusong argued that if Türkiye is retained as the representative country, benchmarks for labour and electricity should be adjusted downwards, to remove the effects of extraordinary influences in the country such as inflation. Fusong proposed using the average inflation rate in Türkiye over a sufficiently long period prior to 2021, during the years when exceptionally high inflation or any other extraordinary circumstances did not impact the country, in order to reconstruct the labour and electricity costs that should have been borne by local producers during the IP in the absence of such extraordinary influences.

(100) The Commission noted that for the reasons explained in recitals 60 and 61, labour and electricity costs should not be considered distorted. The Fusong claims on a need for adjustment were therefore rejected.

3.2. **Manufacturing costs**

(101) The FEP also requested a confirmation that the normal value includes an estimate of manufacturing overhead costs, to cover manufacturing costs not included in the factors of production.

(102) The Commission confirmed that, as explained in recitals 193 to 194 of the provisional Regulation, such costs have been established and included in the normal value.

3.3. **Export price**

(103) In the absence of comments on the export price, recitals 201 to 202 of the provisional Regulation were confirmed.

3.4. **Comparison**

(104) Following the provisional disclosure, two exporting producers, namely Fusong Group and Forest Group, claimed that the adjustment of the normal value due to the non-refundable VAT on exports of the product concerned should not apply to them since they actually received a VAT refund. The companies indicated that they received VAT refund for their export sales because they did not export the product concerned under the tariff code 4418 75. Instead, they claimed to have exported product concerned under other sub-headings, namely 4412 92 and 4412 52. The companies further claimed that they presented customs export declarations and VAT refund documentation confirming actual receipt of VAT refund.

(105) The Commission reviewed the claims submitted by the exporting producers regarding the classification of the product concerned under different HS codes. Upon examination, it found no substantive evidence to support the fact that these two exporting producers classified the exports of the products under a different code that HS code under which the product concerned should be classified which is HS code 4418 75. The Commission did not question the actual declaration of the export sales nor VAT refund forms. It assessed whether the sales for export of the product concerned if declared under the corresponding HS code were subject to VAT refund. The Commission then established that the product concerned, which falls under the HS code 4418 75, is not subject to a VAT refund. None of the interested parties objected that the definition of the goods falling under HS code 4418 75 in China aligns with the definition used in this investigation nor did they explain why they declared their export sales under a different HS code and not under HS code 4418 75.

(106) The two exporting producers referred to the documentation they have presented during the investigation regarding the VAT declarations. However, they have not presented any documentation or rationale to justify a deviation from classifying the product concerned under any other code than 4418 75. The mere fact that exporting producers declared the product under different code does not confirm its correctness.The Commission, therefore, concluded that the self-declaration of the transaction for exports and its tariff classification by the companies, in the absence of any other documentation confirming that this classification was correct, does not constitute sufficient evidence classifying the product under the code with VAT refund. The companies, by declaring the export sales of the product concerned under the code not corresponding with the definition of the product concerned, effectively decreased the export price by receiving the refund of the VAT.

(107) The Commission did not find any evidence indicating that the product concerned should be classified under different subheading than 4418 75, therefore, the normal value was appropriately adjusted by the non-refundable VAT. The exporting producers did not provide any evidence that they should be exempted from the application of this rule, and the sales of the product concerned for export should not be classified under the HS code 4418 75. Therefore, the claims were rejected.

(108) In their comments following definitive disclosure, Forest and Fusong reiterated their claim that transport and distribution expenses should have been deducted from the SG&A costs calculation. The parties claimed that, since such expenses have been deducted from the export price, they should also be deducted from the normal value to ensure that the principle of fair comparison is respected. To estimate the transport and distribution expenses, the parties reiterated their proposal to use the readily available detailed financial data of Orma. In particular, they proposed to calculate Orma's ratio of transport and distribution expenses over its total operating expenses and apply this ratio to the operating expenses reported by the Turkish Central Bank for activities under NACE-162. Moreover, Forest considered that if the Commission cannot estimate the transport and distribution expenses with sufficient precision, it should not deduct transport and distribution expenses from the export price.

(109) The Commission noted that, when calculating normal value at ex-works level, it would normally deduct transport expenses where such expenses are clearly and separately identified. In this regard, the Commission recalled that in its judgment in *CCCME*, the General Court first recalled that in accordance with the case-law, if a party claims adjustments under Article 2(10) of the basic Regulation in order to make the normal value and the export price comparable for the purpose of determining the dumping margin, that party must prove that its claim is justified. The burden of proving that the specific adjustments listed in Article 2(10)(a) to (k) of the basic Regulation must be made lies with those who wish to rely on them ([15]). It follows that, in that case, as in this investigation, it was for the interested parties, in accordance with that case-law, to demonstrate the need for the adjustment requested in support of evidence which they adduced during the investigation ([16]).

([15]) Judgment of 2 October 2024, *CCCME and Others* v *Commission*, T-263/22, ECLI:EU:T:2024:663, para. 183.
([16]) Judgment of 2 October 2024, *CCCME and Others* v *Commission*, T-263/22, ECLI:EU:T:2024:663, para. 185.

(110) The General Court then held that it should be noted that although the practice of making adjustments may prove to be necessary, under Article 2(10) of the basic Regulation, to take account of differences between the export price and the normal value which affect their comparability, such deductions cannot be made with respect to a value which has been constructed and which is not, therefore, genuine. That value is not generally affected by factors which might damage its comparability, because it has been artificially established ([17]). Moreover, as in the case of CCCME, in the case at hand the construction of the normal value per product type on an 'ex-works' basis included a reasonable amount for SG&A costs and there was no concrete evidence showing whether (and if so to what extent) the SG&A costs used included concrete transport and distribution expenses. Consequently, in view of the Commission's discretion in the application of Article 2(10) of the basic Regulation ([18]), the Commission's approach adhered to the most recent case-law concerning unsubstantiated claims that amounts for SG&A costs used in the construction of the normal value under Article 2(6a)(a), which are considered by the Commission to be reasonable for the ex-works level of trade, contain transport costs. The claim was therefore rejected.

(111) Moreover, as explained in recital 49, the data published by the Central Bank of Türkiye lacked detailed information on these costs. Furthermore, the Commission noted that the ratio of transport and distribution expenses over the overall operating expenses, provided that they have been included in the first place which was not demonstrated by the interested parties in the present proceeding, may vary considerably depending on factors such as the location of the factory, the destinations to which the product is shipped ([19]), and the terms of delivery. In the absence of any specific information on these factors in data published by the Central Bank of Türkiye, the Commission considered that an adjustment on the basis of the financial data of Orma was not appropriate.

(112) Moreover, the Commission considered that including the transport expenses in the export price would not allow for a fair comparison. This is because doing so would imply that the transport and distribution expenses incurred by Turkish companies in the broader wood sector are similar to those of Chinese exporting producers of MWF. However, there is no basis for such assumption.

(113) Following additional disclosure, Fusong and Forest reiterated their claims on the downward adjustment of the SG&A costs on the basis of the transport costs incurred by Orma, without however making new arguments. These claims were therefore rejected.

(114) In conclusion, the Commission considered that in view of the information available to it, an adjustment of SG&A costs for transport costs was not warranted and the parties' claims were rejected.

(115) Following definitive disclosure, two groups, the Fusong and the Forest, commented the findings based on which the normal value had been adjusted for non-refundable VAT.

(116) Firstly, both parties claimed that the Commission does not have a competency to assess the Chinese tariff classification. Besides, they claimed that the Commission's assessment is incorrect, and in China, the product concerned can be classified under the code 4412 52 or 4412 92. Forest presented the Chinese customs notes - Customs Tariff Goods and Tariff Item Notes, notes for chapter 44 with subheadings' notes. On this basis Forest claimed that product concerned should be classified under heading 4412. Furthermore Forest noted that the Commission did not pursue any explanation or confirmation from the Chinese customs authorities in this regard.

(117) Secondly, Forest claimed that the Commission should provide the exact legal basis for the adjustment and elaborate on the fulfilment of the criteria for its application, namely that the export price and normal value are not on a comparable basis, and that there is a specific factor affecting the prices and price comparability.

(118) Lastly, both parties claimed that irrespective of the assessment of the codes applicable to the product concerned, the Commission should compare the normal value and export price with actual tax refunded as the export price was actually net of VAT.

([17]) Judgment of 2 October 2024, *CCCME and Others* v *Commission*, T-263/22, ECLI:EU:T:2024:663, para 188.
([18]) Judgment of 2 October 2024, *CCCME and Others* v *Commission*, T-263/22, ECLI:EU:T:2024:663, para. 184.
([19]) For instance, Orma states that it ships to 32 countries in 5 continents:

(119) Regarding the first claim, the Commission did not take any position in evaluation or assessing the Chinese tariff classification. The Commission noted that the product concerned is classified under the HS code, the description of which is harmonized and therefore the same in both in the EU and China. For this reason, the Commission concluded that the product concerned falls under the HS code 4418 75. The Commission did not interfere in the Chinese tariff nomenclature, but established that the code and the description of HS code 4418 75 aligns with the product under investigation. Based on this finding, it has been established that the product concerned falls under the HS code 4418 75 in PRC, for which there is no VAT refund in case of export sales. Regarding the allegation that the Commission did not consult GOC in this regard is groundless. As it has been described in recital 16 of the Provisional Regulation GOC did not cooperate in this investigation and, despite providing the GOC with the provisional regulation, and definitive disclosure document, the GOC did not provide any comments, let alone evidence to the contrary, on this matter.

(120) Forest claimed in their comments that according to the explanatory notes to the Chinese Customs Tariff, heading 4418 does not refer to the product under investigation although it quoted that this code includes 'assembled flooring, (including parquet flooring) or [...]' which precisely is the product under investigation. Moreover, Forest omitted to mention in its comments, that in the same explanatory notes, there is an exclusion of some products, namely: This heading does not include: (1) Plywood, veneered panels, and similar laminated wood, which have a thin wood veneer attached to the surface to mimic the assembled flooring of heading 44.18 (heading 44.12). Therefore, only products with a thin face veneer that are imitating the product under investigation but are not the product under investigation fall under the code used by the exporters which is 4412 52 and 4412 92.

(121) Moreover, according to the Forest's interpretation some other products can be classified under the heading 4418, like for instance multi-strip wear layers. The Commission noted that the Forest exported also products classified as multi-strip and still did not apply the HS 4418 for these sales. These sales have been reported without any taxes. It is then apparent that even based on the explanatory notes, the codes applied by the company for the products sold for export do not correspond to the product description. Therefore, the Commission did not change its conclusion that the product concerned falls under the heading HS 4418.

(122) Secondly, the Commission hereby confirms that the legal basis used is the Article 2(10)(k) of the basic Regulation, which refers to other factors that could affect the price comparison. The companies claimed that non-refundable VAT for the export sales of the products under code 4418 75 does not affect the price comparison as the exporters actually received the refunded VAT for these sales. According to the exporting producers, the fact that the companies received the VAT refund because the goods were classified under HS code of products other than the product under investigation is irrelevant, and only the fact of the actual received refund should be taken into consideration for price comparison and adjustments under Article 2(10)(k) of the basic Regulation. The Commission reiterated that based on the finding in the investigation, the product under investigation does not benefit from the VAT refund; therefore, the normal value has been adjusted accordingly. Therefore, an adjustment under Article 2(10)(k) was justified.

(123) Also, Forest's claim that Article 2(10)(k) of the basic Regulation requires a higher legal and evidentiary standard for adjustments in comparison to those applicable under points (a) – (j) is not accurate. The standard required under point (k) always aims at ensuring the fair comparison between the export price and the normal value, as set out in general terms in the chapeau of Article 2(10) of the basic Regulation. Therefore, the legal and evidentiary standard for adjustments under Article 2(10)(k) of the basic Regulation is the same as that applicable under other letters of that provision. Thus, the Commission rejected the claim and stayed with the assessment in recitals 104 – 107.

(124) The companies' claims that their export price is net of VAT have not been accepted due to the reasons mentioned in recitals 116-118 above, using the HS code that is not in line with the product description in the customs nomenclature. None of the companies substantiated their claims with sufficient evidence showing that the classification under other code should be applied to the product under investigation.

(125) Therefore, the Commission concluded that the product under investigation falls under HS code 4418 75 and the normal value should be adjusted accordingly for the non-refundable VAT for the fair comparison. The companies' claims in this regard were rejected.

(126) Following the additional disclosure, which did not concern the claims on the adjustment for non-refundable VAT, both parties requested the Commission to reconsider its assessment in this regard refereeing to their previous comments on definitive disclosure. The Commission's assessment remained unchanged.

3.5. **Dumping margins**

(127) Following the revision of the benchmarks for the SG&A and for profit as described in recitals 46 to 51, the Commission revised the dumping margins.

(128) The definitive dumping margins expressed as a percentage of the cost, insurance and freight (CIF) Union frontier price, duty unpaid, are as follows:

Company	Definitive dumping margin
Forest group	32,1 %
Fusong group	36,1 %
JINFA group	21,3 %
Other cooperating companies	28,0 %
All other companies originating in the PRC	36,1 %

4. **INJURY**

(129) Most of the claims received did not follow, or followed partially, the structure of the provisional Regulation. The Commission did its utmost to include the claims received under the appropriate sections of the Regulation. Furthermore, the Commission notes that many of the claims submitted by CNFPIA under the heading 'injury' were actually related to arguments on causation. Therefore, the Commission has addressed such claims under section 5 of this Regulation.

4.1. **Definition of the Union industry and Union production**

(130) In the absence of comments concerning the definition of the Union industry and Union production, recitals 216 to 217 of the provisional Regulation were confirmed.

4.2. **Determination of the relevant Union market**

(131) In the absence of comments concerning the determination of the relevant Union market, recitals 218 to 221 of the provisional Regulation were confirmed.

4.3. **Union consumption**

(132) In the absence of comments concerning the Union consumption, recitals 222 to 226 of the provisional Regulation were confirmed.

4.4. **Imports from the country concerned**

4.4.1. *Quantity and market share of the imports from the country concerned*

(133) Following provisional disclosure, the CNFPIA claimed that the import quantities in square meters (m^2) published by Eurostat showed a sharper decrease of imports during the period considered than the decrease of imports shown by the Eurostat data adjusted by the Commission in Table 3 of the provisional Regulation.

(134) The Commission recalls that it has already justified in recital 227 of the provisional Regulation the need to adjust Eurostat's import quantities in square metres in view of the flaws in the unadjusted Eurostat data. Therefore, the Commission does not find merits in in discussing the trends followed by the unadjusted data.

(135) Following definitive disclosure, the CNFPIA stated that it questioned the need for an adjustment to import data and considered that the methodology used by the Commission failed to be based on objective, verifiable and credible evidence.

(136) The adjustment made by the Commission was justified in recital 227 of the provisional Regulation. However, CNFPIA's comments were rejected as no reason was supplied to support the view that the adjustment was questionable or that the methodology was not based on objective, verifiable and credible evidence.

(137) CNFPIA also criticised the use made of the import data (in absolute terms and in relation to consumption) in the injury findings. CNFPIA focussed almost exclusively on the fall in import quantities in the IP and the fall in market share in that year.

(138) In its analysis in the provisional Regulation (in section 4.4.1 which includes Table 3) the Commission presented a more balanced assessment of the import data over the period considered and explained its context. In fact, the fall in consumption in the IP (29 %) means that the market share data gives a better reading of import volume trends than absolute figures. As stated at recital 231 of the provisional Regulation imports from China increased from 16,8 % in 2020 to 22,5 % which represented an increase of 34 %. The fall in market share in 2023 was due to high levels of importers' stocks at the end of 2022. In addition, when assessing the injurious nature of imports the CNFPIA did not consider that prices from China fell sharply in 2023 and suppressed Union industry prices. Therefore, the claim that the levels of imports from China in the period considered and the IP were not injurious was rejected.

(139) In the absence of further comments concerning the quantity and market share of imports from China, recitals 227 to 231 of the provisional Regulation were confirmed.

(140) The CNFPIA submitted a claim on import quantities as regards their impact on the causation of injury. This claim has been discussed in section 5.1 below.

4.4.2. *Prices of the imports from the country concerned and price undercutting*

(141) Following provisional disclosure, Amorim, Barth, the CNFPIA, MEFO Floor and Puderbach claimed that the level of trade adjustment (LoT) used by the Commission in recital 242 of the provisional Regulation should be increased as it does not cover all the warehousing, logistics, sales and marketing expenses faced by a distributor in the Union market. In particular, Amorim proposed using the SG&A of a company in Türkiye (the Reference country), as indicated in recital 199 of the provisional Regulation, and which amounted to 19,5 % of the cost of goods sold.

(142) The Commission found this claim unsubstantiated as these parties did not submit any evidence to support the claim. In section 7.2 of the provisional Regulation, the Commission referred to the lack of verified data available to the Commission from the importing and trading sector. Only one importer representing 6 % of imports from China in the IP, fully co-operated with the investigation. As a result, there is insufficient data available to justify increasing the LoT adjustment indicated in recital 242 of the provisional Regulation. Furthermore, the Commission considered that Amorim's claim concerning the use of a 19,5 % SG&A of a company in Türkiye is incorrect since the adjustment to the LoT cannot be based on SG&A data from the representative country and expressed as a percentage of COGS rather than turnover. Amorim's argument is in any event also devoid of purpose, as the Commission changed the level of SG&A as indicated in recital 51 of this regulation. Therefore, the claim was rejected.

(143) In the absence of further comments concerning the prices of imports from China and price undercutting, recitals 232 to 244 of the provisional Regulation were confirmed.

(144) Following definitive disclosure, Amorim commented that the Commission's undercutting analysis was flawed because it did not take adequate account of differences in product characteristics such as grading and branding.

(145) However, the comments made do not provide any detail to explain any asymmetry that may have been made in respect of grading or branding or how such perceived asymmetries could be addressed. In respect of grading the Commission refers to recital 240 of the provisional Regulation which explains the method used by the Commission to take account of grading in its calculations to the extent possible. The Commission concluded that, as it had no information on file to demonstrate that the grading issue was not properly addressed, it was not in a position to adjust the calculations for this reason in favour of either the Union industry or the Chinese exporting producers. Therefore, the claim was rejected.

(146) Holz-Richter and Barth also commented on issues of price comparability in their comments following the definitive disclosure. These parties commented that the Commission's undercutting analysis was flawed because it did not take adequate account the fact that Chinese imports consisted mainly of low-quality grades.

(147) The Commission took into account grading in the price comparisons and disclosed its calculations to the exporting producers concerned. Indeed, the Commission does not contest that a high quantity of Chinese imports was of non-prime grades, but these imports were compared solely to the non-prime grades of the Union industry. The Commission refers to recital 240 of the provisional Regulation which explains the method used by the Commission to take account of grading in its calculations to the extent possible. All prices used in the calculations (in respect of both Chinese exports and Union industry sales) were verified on spot. There was no evidence that large quantities of very low graded Chinese products were sold on the Union market or that such very low-grade products were more prevalent than within those sold by the Union industry. The claim was therefore rejected.

(148) Amorim also commented that the Commission's undercutting analysis was flawed because the 5 % LoT adjustment made did not take adequate account of differences in LoT. Holz-Richter also made claims related to the impact of sales chains on the calculations. Amorim stated that it did not agree with the Commission's rebuttal of its original comments (described above in recitals 141 and 142) because the comment had only been rejected on 'technical grounds' – i.e. due to a lack of evidence to support the claim. The Commission maintains its view that no verifiable evidence was submitted to support an increase in the LoT adjustment.

(149) In recital 142 the Commission further explained that the higher adjustment suggested by Amorim (19,5 % of CoGS based on Turkish data) was not just rejected based on a lack of evidentiary support, it was also from a non-Union source. Furthermore, this figure would have to be reduced as it was a percentage of COGS, not turnover, and, as it would only be applied to Union sales which were made through related traders (around 67 %), would have to be reduced even further.

(150) The resulting LoT adjustment suggested by Amorim when put in its proper context would result in an adjustment of around 10 %. Amorim claimed in its submission that the LoT adjustment was not adequate and this risked to distort the undercutting margin (upwards), so that its impact on the causation analysis would be overstated. However, an adjustment of 10 % would not be effective to reduce the undercutting margins found in recital 238 of the Provisional Regulation to levels which would change the injury and causation findings. The claims made on undercutting were therefore rejected.

(151) Holz-Richter commented on bonuses or early payment discounts offered by Union producers that are not offered by Chinese exporters.

(152) As the calculations were made using prices net of all discounts, the Commission is satisfied that this issue did not distort the calculations. The claim was therefore rejected.

(153) Holz-Richter also commented on other issues which could have distorted the undercutting calculations such as bonuses or early payment discounts, freight rates and credit costs.

(154) As the calculations were made using prices net of all discounts, the Commission is satisfied that this issue did not distort the calculations. Regarding freight rates and credit costs, the calculations were made at a CIF level for exporting producers. In addition, credit costs were not deducted from the CIF prices of the exporting producers. These claims were therefore rejected.

(155) The CNFPIA also made claims on import prices as regards their impact on the causation of injury. These claims are discussed in section 5.1 below.

4.5. **Economic situation of the Union industry**

4.5.1. *General remarks*

(156) In the absence of comments concerning general remarks on the economic situation of the Union industry, recitals 245 to 249 of the provisional Regulation were confirmed.

4.5.2. *Macroeconomic indicators*

4.5.2.1. Production, production capacity and capacity utilisation

(157) Following provisional disclosure, the CNFPIA claimed that the decrease in production, production capacity and capacity utilisation in the IP was caused by the decrease in consumption. The claims related to causation are discussed in section 5 below.

(158) In the absence of further comments concerning production, production capacity and capacity utilisation, recitals 250 to 253 in the provisional Regulation were confirmed.

4.5.2.2. Sales volume and market share

(159) Following provisional disclosure, the CNFPIA disagreed with the Commission's finding that there is a link between the decrease in Union sales quantities of the Union industry and the market penetration of the Chinese imports. In particular, the CNFPIA argued that i) the Commission did not admit that that Chinese imports in 2023 fell by a larger percentage than the Union industry, which CNFPIA considers as an indicator that these trends were caused by the decrease in consumption and by the increase in production costs and ii) that the Commission has given less weight in its assessment to this factor than to the decrease in Union sales.

(160) The Commission disagreed with this claim. Regarding point (i), the Commission gave a transparent presentation of the data and where appropriate a year-by-year analysis of the development of sales, volumes and market shares. Regarding point (ii), the Commission made a comprehensive analysis of all injury indicators and its conclusions on injury were fully explained. This claim was therefore rejected.

(161) In the absence of further comments concerning sales volume and market share, recitals 254 to 259 in the provisional Regulation were confirmed.

(162) The implications of the claim on causality is addressed in section 5.1 below.

4.5.2.3. Growth

(163) In the absence of comments concerning growth, recital 260 of the provisional Regulation was confirmed.

4.5.2.4. Employment and productivity

(164) Following provisional disclosure, the CNFPIA claimed that developments in employment and productivity should be attributed to the fall in production and sales quantities.

(165) The Commission did not find merit in this claim as recital 286 of the provisional Regulation already stated that finding.

(166) In the absence of further comments concerning employment and productivity, recitals 261 to 263 in the provisional Regulation were confirmed.

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

(167) In the absence of comments concerning the magnitude of the dumping margin and the recovery from past dumping, recitals 264 to 265 of the provisional Regulation were confirmed.

4.5.3. *Microeconomic indicators*

4.5.3.1. Prices and factors affecting prices

(168) Following provisional disclosure, the CNFPIA claimed that it was only in the year 2023 when the Union industry was not able to pass on cost increases in their sales prices.

(169) The Commission disagrees with this claim. As stated in recital 276 of the provisional Regulation, the profitability of the Union industry started to decline in 2022, which was a year when costs were increasing as shown in Table 8 of the provisional Regulation. As a result, the Union industry's ability to pass on cost increases to their customers started to decline in 2022. Therefore, the claim was rejected.

(170) Following provisional disclosure, the CNFPIA claimed that the comparison between Union industry prices and costs in Table 8 of the provisional Regulation did not support the finding in Table 11 of that Regulation, that is, that Union sales were loss-making in 2023.

(171) The Commission disagrees with this claim. As stated in recital 267 of the provisional Regulation, sales' prices were those made by the Union industry to unrelated parties (including the sales made by their related traders), whereas the unit costs reported were only the cost of production incurred solely by the sampled Union producers. The Union industry was loss-making in 2023 because such sales incurred further costs, that is, those of the related traders referred to in recital 18 of the provisional Regulation. This claim was therefore rejected.

(172) Following provisional disclosure, the CNFPIA contested the finding of price suppression mentioned in recitals 267 to 270 of the provisional Regulation. In particular, the CNPFIA claimed that the Commission did not assess whether domestic prices would have increased in the absence of the allegedly dumped imports from China.

(173) The Commission disagrees with this claim. The Commission's assessment in the provisional Regulation mainly relies on the impact of Chinese import prices on the situation of the Union industry, for instance in sections 4.5.4 and 5.1 of the provisional Regulation ('conclusion on injury' and 'the effects of the dumped imports' respectively). Therefore, the Commission not only fully analysed price suppression, but concluded that the fall in profitability in 2022 and 2023 was due mainly to Chinese imports. In the absence of large quantities of low-priced Chinese imports, the Union industry would have been in a much better position to face the challenges of rising costs and falling consumption in 2022 and 2023. This claim was therefore rejected.

(174) Amorim returned to the issue of prices and factors affecting prices (section 4.5.3.1 of the provisional Regulation) in its comments following the definitive disclosure. Amorim commented that the Commission's analysis did not properly take into account that 'other factors', such as cost increases and a fall in consumption, had an impact on price suppression and falling profits.

(175) The Commission disagreed that these factors were not taken into account. In fact, both issues are included in the analysis at section 4.5.3.1 and more detailed analysis was included in sections 5.2.3 and 5.2.4 of that Regulation. Therefore, the claim was rejected.

(176) Amorim also commented that the analysis of production costs at Table 8 was flawed because it covered only production costs.

(177) In fact, Table 8 of the provisional Regulation covers all costs of the production entity of the sampled Union producers. This includes their SG&A costs for direct sales. By presenting the costs in this way the Commission was able to demonstrate the importance of cost increases relative to the full costs of the production companies. The main cost increases related to raw materials as stated at recital 268 of the provisional Regulation which are of course production costs. Therefore, the claim was rejected.

(178) In addition, Amorim claimed that the profitability analysis was flawed because it did not take into account the sales costs of the related traders.

(179) However, the profitability data at Table 11 of the provisional Regulation covered the sales turnover and costs of the three sampled Union producers and their related traders. Table 11 of the provisional Regulation makes it clear that the sales turnover is to unrelated customers in the Union. The Commission disclosed the calculation of profitability to each sampled Union producer, which showed a breakdown of turnover and costs by Group entity. The calculation also demonstrated that the profitability trend only related to Union production, not production of other group entities which could be located outside the Union. There being no mismatch between revenue and costs the Commission maintains its profitability figures are accurate and the claim of Amorim was rejected.

(180) Amorim and CNFPIA also commented that the Commission failed to perform a counterfactual analysis of the factors affecting price suppression. They claim that to establish price suppression under WTO and EU law, a counterfactual analysis is essential. By this they mean if Union prices would have increased in the absence of allegedly dumped imports.

(181) First, the Commission recalled that the analysis performed in the causation section of the provisional Regulation discussed the issue of increased prices and the Union industry's response to those increases. Similarly, the provisional Regulation also discussed the reduction in consumption and its impact on the Union industry. It was stated at recital 316 of the provisional Regulation that producers must be able to adapt to increases in raw material and energy costs by passing on such increases to customers. If not, such producers would not have a viable business. The Commission identified the magnitude of cost increases in Table 8 of the provisional Regulation but noted that the reason why such cost increases could not be fully passed on to its customers was mainly due to dumped imports. This kind of analysis was performed on a year-by-year basis for both cost increases and the reduction in consumption. The Commission was able to demonstrate that dumped imports played a major role in suppressing prices and in losses in sales volume and market share. Therefore, the Commission can reasonably conclude that, absent the significant price suppression as shown in the underselling margins, price increases would have occurred in the absence of imports of MWF from China. The Commission therefore rejects the claim that its analysis was not compatible with WTO rules or EU law.

(182) In respect of Amorim's claim that intra-Union competition was the cause of price suppression the Commission points out that this claim does not stand up to scrutiny based on data held on the case file. The product types of the three Union producers were often in competition with each other but were at a higher level than the prices of the comparable types of MWF sold by the sampled Chinese exporting producers. In addition, all three exporting producers were found to undercut the Union industry. This claim was therefore rejected.

(183) In their comments following the definitive disclosure CNFPIA considered that the Commission failed to base its injury determination on positive evidence and failed to conduct a price effect analysis as required by the basic Regulation. As part of its motivation for this view CNFPIA stated 'The Commission has failed to analyse the effect of imports of MWF from China on EU prices of MWF. It has not analysed if there has been a significant price undercutting compared with prices in the EU or the effect of imports of MWF from China has depressed EU prices of MWF or prevented their increase'.

(184) These claims completely ignore the assessments made by the Commission at sections 4.4.2 and 4.5.3.1 of the provisional Regulation and are therefore rejected.

(185) Also, in respect of price effects CNFPIA compared the price and costs data shown at Table 8 of the provisional Regulation and concluded that Chinese imports could not be a cause of injury because the delta between prices and costs narrowed in the IP.

(186) This analysis could not be accepted because it ignored the substantial price undercutting established by the Commission in the IP. In addition, the costs quoted related solely to those of the production entity of the sampled producer. Additional costs were incurred by the related traders of each producer. Therefore, the claim was rejected.

(187) In the absence of further comments concerning prices and factors affecting prices, recitals 266 to 270 of the provisional Regulation were confirmed.

(188) The impact of the claims on prices and costs as regards causation are discussed in section 5 below.

4.5.3.2. Labour costs

(189) In the absence of comments concerning labour costs, recital 271 to 272 of the provisional Regulation were confirmed.

4.5.3.3. Inventories

(190) Following provisional disclosure, the CNFPIA claimed that inventory increases were not caused by Chinese imports but by inflation, increasing production costs and the decrease in Union consumption.

(191) The Commission disagrees with this claim. While the factors listed by the CNFPIA played a role in inventory increases, the Commission also concluded in recital 284 of the provisional Regulation that increases in Chinese market shares and price depression over the period considered were also important factors. This claim was therefore rejected.

(192) In the absence of further comments concerning inventories, recitals 273 to 274 of the provisional Regulation were confirmed.

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

(193) Following provisional disclosure, apart from the claim discussed in recital 168 above, the CNFPIA did not challenge the figures relating to profitability of the Union industry. The CNFPIA's claim on the cause of the development of profitability is discussed in section 6 below.

(194) Following provisional disclosure, the CNFPIA also claimed that the ability of the Union industry to invest significantly in their business operations constitutes a strong indication that they are not at all materially injured.

(195) The Commission disagrees with this claim. The Commission concluded in recital 280 of the provisional Regulation that investments during the period considered were modest and were limited by a decreasing ability to raise capital. This claim was therefore rejected.

(196) In the absence of further comments concerning profitability, cash flow, investments, return on investments and ability to raise capital, recitals 275 to 280 of the provisional Regulation were confirmed.

4.6. **Conclusion on injury**

(197) Following provisional disclosure, the CNFPIA claimed that the Commission should give 'special importance' in the injury analysis to the most recent data available, that is, the data from the IP, and that the Commission has erred in its analysis for failing to do so. For this reason, CNFPIA claimed that the Commission's analysis was subjective and unfair.

(198) The Commission disagrees with the claim. Although, the Commission agrees that the analysis of the data in the IP is essential to the analysis of injury, the Commission must assess in its appropriate context. Therefore, the Commission has followed its normal policy of performing a four-year trend analysis for most injury indicators. In drawing conclusions from this trend analysis, the Commission noted that most volume indicators (production and sales quantities, market shares and employment) followed an improving or stable trend from 2020 to 2022 and suffered a decline in 2023, while the performance indicators (profitability, cash flow and return on investments) started to deteriorate already in 2022. Therefore, the Commission's analysis was thorough, took into account the development of each indicator and the developments in the IP were commented on specifically and in their appropriate context. The Commission therefore maintains its view that injury began in 2022 and worsened in the IP. The Commission has therefore rejected the claim.

(199) Following definitive disclosure, the CNFPIA claimed that the Commission's determination of injury was neither based on positive evidence nor involved an objective examination of (a) the volume of imports of MWF from China and their effects on prices in the EU market for MWF; and (b) their impact on EU producers of MWF.

(200) The Commission has reviewed and rebutted all of the comments made by CNFPIA and therefore rejects the general point made that the Commission's analysis was not objective or based on positive evidence.

(201) In the absence of further comments concerning the conclusions on injury, recitals 281 to 287 of the provisional Regulation were confirmed.

5. CAUSATION

5.1. Effects of the dumped imports

(202) Following provisional disclosure, the CNFPIA claimed that the Commission's analysis of the causal link between Chinese imports and the injury of the Union's industry was flawed. In particular, the CNFPIA argued that i) the Commission did not consider the decrease in import quantities as a decisive factor to dismiss the causal link between Chinese imports and the injury of the Union industry; ii) the Commission relied primarily on the alleged low prices of imports to reach its conclusions; iii) that the Commission was wrong in concluding that there was a coincidence in time between the deterioration of the economic situation of the Union industry and the significant presence of imports from China as the deterioration occurred at a time when imports from China were decreasing; and iv) that even if they coincided in time, this coincidence would not have been sufficient to establish causation as there were other factors that were causing the injury.

(203) The Commission disagreed with this claim.

(204) As regards point (i), Table 3 of the provisional Regulation showed imports from China and their market share. Although the quantity of imports in the IP fell, this was due to the fall in consumption. Therefore, the market share of imports is a more accurate indicator of the effect on the market. The market share of Chinese imports increased from 16,8 % in 2020 to 25,4 % in 2022, an increase of 51 %. However, in the IP, the market share of these imports fell to 22,5 % which still represented an increase of 34 % as compared to 2020. The slight fall in market share in the IP also has to be put into context of the development of their prices and impact on the Union industry as explained in the following recital. Furthermore, in view that the analysis made at section 8.3 of this Regulation, the fall in Chinese import quantities in the IP has not been maintained in 2024. Despite a further fall in consumption in 2024 of 5 %, import quantities have increased substantially.

(205) As regards point (ii), the Commission's analysis took into account, not only the quantity of imports, but also the development of sales prices, the suppressive effect and undercutting of such imports and their market share. The Commission's view that the dumped imports was a primary cause of injury was not therefore based only on price issues. Table 4 of the provisional Regulation showed that prices of Chinese imports in EUR/kg increased by 30 % from 2020 to 2022. However, these prices fell by 13 % in the IP. Prices in the IP were only 13 % higher than those in 2020. Further context is provided by Table 8 of the provisional Regulation which showed that the costs per unit of the Union industry rose throughout the analysis period by 42 %. In addition, Table 11 recorded that the Union industry's profitability fell in 2022 and became negative in the IP. These facts demonstrate that the Chinese exporters exerted substantial price pressure on the Union industry because there is a clear link in terms of cause and effect, including a correlation in time, between the fall in profits of the Union industry and the Chinese prices in the Union at market shares which remained high in the IP.

(206) As regards point (iii) the Commission clearly established that injury began in 2022, a year when consumption was increasing. The Union industry suffered from price suppression in that year because the raw material cost increases could not be fully passed on to its customers due to the price effects of the dumped imports.

(207) As regards point (iv), the Commission does not contest that other factors played a role in the injury suffered by the Union industry in 2022 and 2023. These factors, including costs increases and the fall in consumption in 2023, were fully explained in the provisional Regulation. Nevertheless, the Commission maintains its conclusion that the dumped imports were a major cause of the injury in 2022 and 2023 and that other factors did not attenuate the causal link.

(208) Therefore, the claim was rejected.

(209) Following definitive disclosure, Amorim claimed that the Commission had provided a misleading interpretation of import volumes and market share, overstated conclusions about price effects and suppression and provided an incorrect timeline of injury versus imports behaviour.

(210) The comments made by Amorim in these respects provided no new facts but simply repeated arguments which were already rebutted in the definitive disclosure.

(211) In respect of the development of import volumes and market shares Amorim objects to the Commission's analysis because Amorim believes the Commission should only consider the fall in Chinese import market shares in 2023, without looking into their overall context such as the significant fall in price in that year or by comparing market shares across the period considered. The Commission disagrees that the analysis of import volumes and market shares was misleading.

(212) In respect of price effects and suppression the Commission already at the stage of the provisional Regulation considered that the fall in consumption in 2023 and increases in cost had significant impact on the Union industry. However, the Commission maintains its view that the level of dumped imports from China at injurious prices was a genuine and substantial cause of the injury suffered in 2022 and 2023.

(213) Regarding the use of post IP data on Chinese imports, the Commission did not rely on such data at all in its provisional Regulation. However, the data was collected in order to assess the retroactive collection of duties and therefore was used in the definitive disclosure in order to respond to the comments of parties.

(214) In respect of 'other' injury factors no new issue was raised by Amorim except it alleges that intra-Union competition was a cause of injury. This issue was already rebutted earlier in this Regulation at recital 182.

(215) Therefore, these claims were rejected.

(216) CNFPIA also commented on the effects of Chinese imports on the situation of the Union industry. The first comment related to production, capacity and capacity utilisation. CNFPIA claimed that the evolution in Union consumption, the production quantity, sales quantity and market share of the Union industry and Chinese imports showed similar trends meaning that Chinese imports could not be considered injurious.

(217) However, this analysis ignores the impact of price effects and was therefore rejected.

(218) CNFPIA also commented that a year-by-year market share analysis of the Union industry also demonstrated a lack of injury as the Union industry market share increased in the IP.

(219) This development is factually correct, but conclusions drawn from this fact alone are flawed because they do not take into account price effects. Also, the Commission's analysis at recital 257 and 286 of the provisional Regulation already took into account the fall in market share of the Chinese imports in the IP. Therefore, this claim was rejected.

(220) CNFPIA also commented that the developments in employment and productivity do not show injury caused by Chinese imports.

(221) Recital 286 of the provisional Regulation already explained that the developments of these indicators were injurious when considered alongside other indicators and developments in Chinese imports. Therefore, this claim was rejected.

(222) CNFPIA also commented that the developments in average Union industry sales prices, costs and profitability do not show injury caused by Chinese imports as Chinese imports fell in the IP.

(223) Recital 291 of the provisional Regulation already explained that the developments of these indicators were injurious because of the price effects (suppression) of the Chinese imports. Therefore, this claim was rejected.

(224) CNFPIA also commented the developments in inventories in order to show that they do not show injury caused by Chinese imports.

(225) Recital 284 of the provisional Regulation already explained that the developments of this indicator was injurious when considered together with other factors. In addition, recital 274 of that Regulation explained why inventories are important in the MWF industry. Therefore, this claim was rejected.

(226) CNFPIA also reiterated their comments that the alleged high level of investments made by the Union industry had caused the injury they suffered. However, no new arguments were presented here. In addition, no attempt was made to rebut the Commission's comments at recital 280 of the provisional Regulation concerning the modest nature of these investments. Therefore, this claim was rejected.

(227) Holz-Richter GmbH made comments on causation in a submission following the definitive disclosure. They claimed that their imports from China were made because of the alleged poor availability of the Union industry products. Holz-Richter supplied 'sensitive' data to support its claim that the measures were likely to disrupt its business due to the fact that it purchased a range of MWF products from China at a certain price which it sold on the Union market.

(228) The Commission has already dealt with the issue of an alleged shortage of supply at recitals 363 and 364 of the provisional Regulation. These recitals explain that there are many sources of supply of MWF and Chinese imports are expected to continue (at reduced quantities) as a result of these measures. Nevertheless, the aim of the measures is to restore fair competition on the Union market by raising Chinese import prices.

(229) In respect of Holz-Richter's claim relating to a specific range of products, the Commission's analysis of price comparisons described at recital 238 of the provisional Regulation indicated that a very high degree of like for like matching (over 95 %) was present in the MWF product types sold on the Union market by the Chinese exporting producers and the Union industry. The Commission further notes that Holz-Richter linked its claim on availability to price considerations indicating that such products were not available from Union sources at the same price as the Chinese imports. Although, it cannot be excluded that a small quantity of imports do not have a direct Union industry equivalent, from the detailed price comparisons performed by the Commission in this investigation it is clear that the quantity of Chinese types which are unavailable from Union sources is very low. Therefore, this claim was rejected.

(230) In the absence of further comments concerning the effects of the dumped imports, recitals 289 to 296 of the provisional Regulation were confirmed.

5.2. **Effects of other factors**

5.2.1. *Imports from third countries*

(231) The Commission identified a mistake in Table 13 of the provisional Regulation relating to the prices of imports of all third countries. The following Table corrects the figures. The correction has no impact on the Commission's overall conclusions on the impact of 'Imports from Third Countries'.

Imports from Third Countries – Correction of Table 13 of Provisional Regulation

		2020	2021	2022	Investigation period (2023)
Total of all third countries except the country concerned *(Table 13 of the provisional Regulation)*	Average price (EUR/ square meter)	6,9	7,0	6,6	7,4
	Index	*100*	*101*	*96*	*107*
Total of all third countries except the country concerned *(corrected figures)*	Average price (EUR/ square meter)	18,7	20,4	24,9	23,3
	Index	*100*	*109*	*133*	*125*

(232) In the absence of comments concerning imports from third countries, recitals 297 to 303 of the provisional Regulation, revised by recital 231 of this Regulation, were confirmed.

5.2.2. *Export performance of the Union industry*

(233) In the absence of comments concerning the export performance of the Union industry, the conclusions drawn in recitals 304 to 307 of the provisional Regulation were confirmed.

5.2.3. *Developments in Consumption*

(234) Following provisional disclosure, the CNFPIA claimed that that the decrease in consumption in the IP caused the injurious situation of the industry, also in view that, while the market share of Chinese imports declined, those of the Union industry increased.

(235) The Commission disagrees with this claim. The Commission's analysis in the provisional Regulation acknowledged the important impact of the fall in consumption. Recital 310 of the provisional Regulation stated that 'It was therefore clear that the Union industry was significantly affected by the fall in consumption in the investigation period'. The Commission's analysis examined the impact of consumption in 2022 when demand increased by 4 %. As explained in recital 311 of the provisional Regulation, the Commission concluded that since consumption increased in 2022 it could not explain the fall in profitability and other performance indicators of the Union industry in that year. Therefore, although the fall in consumption had a significant impact, the price pressure exerted by a fall in Chinese import prices also played a major role.

(236) CNFPIA returned to the issue of the fall in consumption in the IP in its comments following definitive disclosure. It provided further evidence from FEP, the European Organisation of the Sawmill Industry and the Global Wood Trade Network's Europe Prices in June 2023 to demonstrate the impact of the fall in consumption.

(237) The Commission has already recognised the importance of developments in consumption in section 5.2.3 of the provisional Regulation. The Commission maintains its view that this issue contributed to the injury suffered but that this does not mean that the dumped imports were not a major, genuine and substantial cause of injury. Therefore, this claim was rejected.

(238) In the absence of further comments concerning the developments in consumption, recitals 308 to 313 of the provisional Regulation were confirmed.

5.2.4. *Increases in Costs*

(239) Following provisional disclosure, the CNFPIA claimed that the Commission's finding that the increases in the costs were only a contributory factor to the injury suffered by the Union industry and that the real cause of the material injury was Chinese price pressure is not correct. The CFPIA referred to several intelligence reports relating to cost increases for Union producers of MWF and to press releases from FEP relating to raw material cost increases and which do not refer to Chinese imports as a concern causing a problem.

(240) The Commission disagrees with this claim. The Commission does not dispute the fact that costs, especially raw material costs, increased over the period considered for various reasons. This fact was acknowledged in section 5.2.4 of the provisional Regulation, which made reference to the actual cost figures of the sampled Union industry in Table 8 of the provisional Regulation. In addition, the Commission reiterates its view that cost increases need to be passed onto customers for industries to remain sustainable. The Union MWF industry suffered big falls in its profitability in 2022 and in the IP because of its inability to pass on cost increases to its customers due to the pressure in terms of both volumes and low prices of the dumped imports from China. It should be noted that the Chinese exporting producers often sourced oak products, which are key raw materials for MWF, from the Union market. Therefore, it was not only the Union industry which suffered such cost increases. Nevertheless, Chinese import prices for MWF fell by 13 % in the investigation period as reported in recital 317 of the provisional Regulation. This led to price pressure for the Union industry and was followed by the fall in profitability, return on investment and cash flow shown in Table 11 in the IP. This fall in import prices is remarkable given the increase in raw material costs which the Chinese exporting producers will have experienced and their need to incur freight costs to ship oak logs to China and return the finished MWF products to the Union. Therefore, the Commission maintains its view that increases in costs did not attenuate the injury caused by the dumped Chinese imports and the claim of the CNFPIA was rejected.

(241) CNFPIA returned to the issue of increases in cost in its comments following definitive disclosure. It provided further evidence from FEP, the Global Wood Trade Network's Europe Prices Report of September 2023 and the International Tropical Timber Organisation to demonstrate increases in raw material costs.

(242) However, the Commission has already recognised the importance of raw material cost increases in section 5.2.4 of the provisional Regulation. The Commission maintains its view, however, that raw material cost increases need to be reflected in sales prices in order for an industry to remain viable and that such price increases were prevented largely due to the prices of Chinese imports. Therefore, this claim was rejected.

(243) In the absence of further comments concerning the increases in costs, recitals 314 to 318 of the provisional Regulation were confirmed.

5.2.5. *Captive use*

(244) In the absence of comments concerning captive use, recitals 319 to 320 of the provisional Regulation were confirmed.

5.2.6. *Other factors*

(245) Following provisional disclosure, the CNFPIA claimed that Union industry made poor business decisions as evidenced by the Commission's finding that the Union industry carried out investments to maintain efficiency but that after 2021 they had less ability to raise capital.

(246) The Commission disagrees with this claim. The facts presented in recital 280 of the provisional Regulation indicate that such investments were not excessive, but rather, modest throughout the period considered. In the years 2022 and 2023 these investments had to be limited only to those investments that were essential because of the falling ability to raise capital.

(247) Following provisional disclosure, the CNFPIA further claimed that the Commission had not assessed their comments in paragraphs 43 to 47 of their submission from 25 July 2024.

(248) The Commission notes that it actually addressed issues related to consumption in section 5.2.3 of the provisional Regulation and issues related to the export performance of the Union industry in section 5.2.2 of the provisional Regulation. As part of this claim CNFPIA alleged that Barlinek had invested excessively during the period considered. The Commission cannot give details of Barlinek's investment in production capacity for confidentiality reasons. However, the verified information on the sensitive file, shows that the claim is factually incorrect and therefore rejected.

(249) In the absence of comments concerning other factors, recitals 321 to 326 of the provisional Regulation were confirmed.

5.3. **Conclusion on causation**

(250) Following provisional disclosure, the CNFPIA claimed that Chinese imports did not cause injury to the Union's industry and that it should review its finding that no factor other than Chinese imports had any bearing on the situation of the Union industry.

(251) The Commission disagrees with this claim for the reasons provided in its assessment of causation in sections 5.1 and 5.2 above.

(252) In the absence of further comments concerning the conclusion on causation, recitals 327 to 332 of the provisional Regulation were confirmed.

6. **LEVEL OF MEASURES**

6.1. **Injury margin**

(253) Following provisional disclosure, FEP claimed that the target profit used by the Commission in the calculation of the injury margin was too low because it included a profit margin for a sampled Union producer which was abnormally low due to the particular circumstances that applied to that producer. FEP therefore claimed that the basic profit should be higher than the 7,15 % found in recital 337 of the provisional Regulation because the average profit rate used does not provide an adequate picture of what is required to re-establish fair competition under ordinary market conditions.

(254) The Commission recalls that, as explained in recital 337 of the provisional Regulation, the year 2020 was used as this was prior to the increase in imports at low prices which caused the injury to the Union industry. The Commission re-examined the information on file regarding the Union producer's whose profit margin was indeed abnormally low in 2020. The name of the company cannot be revealed for confidentiality reasons. The FEP claimed that the respective company's profitability rate was affected by certain temporary factors in 2020 such as restructuring of the business model of the company and important supply chain issues during the Covid-19 pandemic.

(255) The Commission concluded that this company should be excluded from the calculation of the basic profit, which as a result increased from 7,15 % to [8,7 % – 11 %] ([20]).

(256) CNFPIA made comments on the target profit used in the injury margin calculations in its submission following the definitive disclosure. CNFPIA challenged the use of 2020 as the base year for the target profit on the grounds that it was too far removed in time from the IP and suggested 2022 as an alternative. Also, 2020 was opposed by CNFPIA because that year may have been affected by the impact of Covid-19 on the Union market. Also, CNFPIA claimed that one company with low profits should not have been excluded from the data.

(257) The Commission recalled that 2020 was selected as a it was a recent year which was not affected by dumped imports. In fact, recital 284 of the provisional Regulation demonstrates that injury began in 2022. Regarding the impact of Covid-19, two of the sampled Union producers demonstrated that the year 2020 was a profitable year. However, the third sampled producer had specific problems, partially linked to impacts of Covid-19, that led to its exclusion from the data as explained at section 6.1 of the definitive disclosure. Therefore, the Commission maintains its view that 2020 was the most appropriate base year for the target profit and that it was justified to limit the data to the two companies with reasonable profits in that year. These claims were, therefore, rejected.

([20]) The target profit has been provided in ranges as the data used to calculate it stems from sensitive data from only two companies.

(258) Puderbach commented on the methodology used in the calculation of the underselling margin. Puderbach claimed that the Union industry costs used to calculate underselling were not comparable with the Chinese import prices. It was claimed that ocean freight, Union Customs fees, transport and marketing and distribution costs had not been taken fully into account.

(259) However, the calculation compared the import price at CIF level (plus importation costs such as port fees) with the Union industry's ex-works (EXW) price meaning that ocean freight and customs fees were already in the import price. In addition, the CIF price to EXW comparison was fair because both prices required onward transport in the Union. Furthermore, the marketing and distribution costs of the Union industry were not taken into account as the Union industry costs did not include those of related traders. The detailed calculations were disclosed to the three sampled exporting producers. Therefore, the claim that the underselling calculations were imbalanced was rejected.

(260) Following provisional disclosure, Fusong and Jinfa claimed that the Commission should not only use the level of trade adjustment for calculating the undercutting margins but also for calculating the non-injurious price. Without this adjustment, Fusong and Jinfa claimed that the non-injurious price and the price of the exporting producers cannot be compared.

(261) The Commission disagrees with this claim. The calculation of the cost of production per product type applicable for the calculation of the underselling margin did not include the costs of the related traders of the Union industry. Therefore, the underselling margin was calculated based on the costs plus normal profit of the Union producers which means that no adjustment of the LoT is necessary. In other words, the LoT of the Union industry was comparable to those of the exporting producers. The claim was therefore rejected.

(262) Following provisional disclosure, Fusong and Jinfa claimed that the target profit used for the underselling calculation was excessive because it was the profitability of the group (producer plus related traders) rather than the profit of the Union producers.

(263) The Commission disagrees with this claim. The profit of both the production companies and the related traders was set according to internal transfer pricing agreements. Therefore, the only profit which was reliable was the consolidated profit at group level. In addition, an analysis of the profits made by the three sampled Union producing groups showed that the producers were taking most of the risks and making most of the profits or losses, whereas the related traders tended to function according to standard profits. Therefore, the consolidated profitability margins used were mainly derived from the production entities, were similar to the profit rates of the group and the claim that such profit rates were excessive was unsubstantiated and factually incorrect.

(264) In its comments following definitive disclosure Fusong reiterated its view that the profitability rates used to calculate the target profit were overstated because they had been calculated on a Group basis.

(265) The Commission confirmed that profits made solely by the Union producing entities were not used because they mainly covered sales to the related parties via transfer pricing arrangements. Therefore, by using the Group profit data, the Commission used the most appropriate data available. In addition, for the reasons given at recital 135 of the definitive disclosure, the Commission was satisfied that the data used was representative for sales to wholesalers. Therefore, the claim that the target profit rate was overstated was rejected.

(266) The conclusion in recital 342 of the provisional regulation is confirmed. Therefore, the final injury elimination level for the cooperating exporting producers and all other companies is as follows:

Country	Company	Definitive injury margin (%)
China	Forest Group	51,5
China	Fusong Group	47,8
China	Jinfa Group	55,0

Country	Company	Definitive injury margin (%)
China	Other cooperating companies	52,3
China	All other imports originating in China	55,0

(267) Following provisional disclosure, FEP claimed that there are raw material distortions in China within the meaning of Article 7(2)(a) of the basic Regulation and that the lesser duty rule should be waived. The CNFPIA argued that the lesser duty rule should be applied.

(268) The Commission notes that whether the lesser duty rule should apply is only relevant when the dumping margins applicable to exporting producers are higher than the respective injury margins. Bearing in mind the definitive findings of dumping and injury margins, as provided in recitals 128 and 266 of this Regulation, the application or not of the lesser duty rule is not relevant. Therefore, the Commission concluded that it was not necessary to investigate if there were raw materials distortions as the result would not have any material effect on the investigation.

6.2. Conclusion on the level of measures

(269) Following the above assessment, definitive anti-dumping duties should be set as below in accordance with Article 7(2) of the basic Regulation:

Country	Company	Definitive anti-dumping duty (%)
China	Forest group	32,1
China	Fusong group	36,1
China	JINFA group	21,3
China	Other cooperating companies	28,0
China	All other companies originating in the PRC	36,1

7. **UNION INTEREST**

7.1. **Union interest under Article 21 of the basic Regulation**

(270) The Commission then examined whether it could clearly conclude that it was not in the Union interest to adopt measures in this case, despite the determination of injurious dumping, in accordance with Article 21 of the basic Regulation. The determination of the Union interest was based on an appreciation of all the various interests involved, including those of the Union industry, importers, and users.

7.1.1. *Interest of the Union industry*

(271) Following provisional disclosure, the CNFPIA claimed that the Union industry was seeking an unfair advantage through these duties.

(272) The Commission disagrees with this claim. The investigation has revealed, as provided in section 4 of this Regulation that the Union industry has suffered injury as a result of the (unfair) dumped Chinese imports. The measures seek to restore the level playing field which had been distorted by the dumped Chinese imports. The claim was therefore rejected.

(273) In their comments following the definitive disclosure Lovelin of London (an importer of MWF) claimed that the Union industry would not benefit from the measures in the long-term as the measures would encourage Chinese exporters to produce MWF in third countries and innovate more than Union producers.

(274) These comments are speculative and were not substantiated by data. Therefore, they were rejected.

(275) In the absence of further comments concerning the interest of the Union interest, recitals 348 to 353 of the provisional Regulation were confirmed.

7.1.2. *Interest of unrelated importers and traders*

(276) Following provisional disclosure, Amorim, MEFO Floor, HAI and Puderbach claimed that the measures would harm the business of importers since customers would not accept the pass on of the full costs on sales prices and as a result, demand will drop which would require reducing the number of staff.

(277) The Commission acknowledged in recital 359 of the provisional Regulation that the measures could have detrimental effects on the importing and trading sectors. However, the Commission also noted that these sectors may mitigate the impact on their businesses by sourcing from other third countries or from the Union industry. The Commission found the claims unsubstantiated. In the absence of actual and verified evidence since the Commission's provisional determination, the Commission has not been in a position to substantiate the extent of the claims of detrimental effects on the importing and trading sectors. The claims were therefore rejected.

(278) Amorim commented on the 'Interest of unrelated importers and traders' in its submission made following definitive disclosure. Amorim comments related to i) the burden of proof on importers and traders in the investigation, ii) alternative sourcing options, iii) the long-term impact of trade defence measures, iv) the need for an economic impact assessment prior to the imposition of measures and v) the risk to market competition and supply chain stability. CNFPIA also made general comments on the 'Interest of unrelated importers and traders' in its submission following the definitive disclosure. Amorim claimed that importers and traders face practical limitations to defend their interests due to a lack of resources within the timeframe of the investigation between the provisional and final determinations. They claimed that this switched the burden of proof to such economic operators.

(279) The Commission's policy for all interested parties is to notify all known parties on Day 1 of an investigation and to publish Notice of initiation in the Official Journal in order to promote cooperation so that the views of all parties can be made known and verified if necessary. This approach is in accordance with the basic Regulation. However, as investigations have legal deadlines it is inherent on all parties to come forward with views at as early a stage as possible. The Commission already commented on the low level of cooperation from importers and traders at section 7.2 of the provisional Regulation. Bearing in mind that the Commission must progress investigations in accordance with the basic Regulation, the Commission cannot accept the claim that the timeline of the investigation was detrimental to importers and traders. Furthermore, pursuant to Article 21(5) and (7) of the basic Regulation, it is for interested parties to properly submit information supported by actual evidence which is representative and substantiates its validity. Therefore, the claims were rejected.

(280) Amorim commented that it was an oversimplification to argue that businesses may simply mitigate the impact of measures by sourcing from other third countries or from within the Union industry. Amorim pointed out that traders faced several practical problems in switching suppliers such as extra costs, availability of equivalent products and contractual issues.

(281) The Commission maintained its view that by sourcing from other third countries or from within the Union industry that importers and traders are able to mitigate the effects of measures on their business. The Commission acknowledges the practical issues raised by Amorim but the wide range of MWF products available from the Union industry alone and its spare capacity mean that switching sources of supply remains a viable option for importers and traders. Therefore, the claim was rejected.

(282) Amorim commented that the definitive disclosure did not take into account the long-term impact of the detrimental effects of measures. Amorim claimed that the absence of immediately quantifiable damage should not be interpreted as evidence that no damage exists or will occur.

(283) The measures proposed are due to last for 5 years and Amorim did not specify the negative impacts that might impact importers and traders, but simply speculated that there could be some impacts which are foreseen. Article 21 of the basic Regulation clearly states that Union interest arguments need to provide compelling arguments to overturn the need to impose duties. This claim was therefore rejected as it was unsubstantiated.

(284) Amorim also commented that a full economic assessment of interested parties' interests should be performed and that this was not the case in this investigation. The Commission must again refer to Article 21 of the basic Regulation which explains the nature of the analysis required in an anti-dumping case.

(285) The Commission has followed the procedural requirements, and it is the responsibility of interested parties to come forward to make their views known within the timeframe of an investigation, including the economic impact on importers and traders. This claim was therefore rejected.

(286) Amorim also commented that the measures would discourage diversified sourcing and steering demand toward a narrower pool of suppliers, the measures may inadvertently reduce market competition, raise input costs, and foster supply chain fragility.

(287) The purpose of the measures is to restore fair competition on the market. The imports from China represent unfair competition due to dumping. The Commission does not therefore believe – nor has any evidence – that the measures are anti-competitive. This claim was therefore rejected.

(288) In the absence of further comments concerning the interest of unrelated importers and traders, recitals 354 to 365 of the provisional Regulation were confirmed.

7.1.3. *Interest of users, retailers, etc*

(289) Following provisional disclosure, the CNFPIA disagreed with the Commission's conclusion that users and retailers would be able to pass on price increases to their customers given the decrease in consumption in the Union. The CNFPIA also disagreed with the Commission's statement that there will not be shortage of supply.

(290) The Commission found the claim unsubstantiated as there was no new concrete and verified data on file. The claim was therefore rejected.

(291) Following provisional disclosure, HAI claimed that the measures would harm the business of retailers and distributors since customers would not accept the pass on of the full costs on sales prices and as a result, demand will drop.

(292) Although the Commission found this claim unsubstantiated, the Commission had already acknowledged in recital 368 of the provisional Regulation that the measures could have detrimental effects on users and retailers but these would not be disproportionate as they would not suffer from lack of supply, as other sources of supply exist. Since the Commission's provisional determination, the Commission has not been in a position to substantiate the extent of the claims of detrimental effects on retailers and users, this claim was therefore rejected.

(293) Amorim commented on the 'Interest of users and retailers' in its submission made following definitive disclosure. Amorim comments related to i) the problems of switching sources of supply of MWF, ii) the degree of consideration of long-term effects, iii) the alleged lack of a proactive approach iv) the impact on SMEs and specialized retailers v) an alleged inconsistency in the Commission's approach and vi) broader consumer issues. CNFPIA also made general comments on the 'Interest of users and retailers' in its submission following the definitive disclosure.

(294) As with importers and traders Amorim also commented on the issues faced by users and retailers when switching suppliers such as extra costs, availability of equivalent products and contractual issues.

(295) The Commission maintained its view that by sourcing from other third countries or from within the Union industry users and retailers are able to mitigate the effects of measures on their business. The Commission acknowledges the practical issues raised by Amorim but the wide range of MWF products available from the Union industry alone and its spare capacity mean that switching sources of supply remains a viable option for importers and traders. Therefore, the claims were rejected.

(296) Amorim also reiterated its point that users and retailers such as installers, contractors, and developers would be affected by the measures. Amorim claimed that retailers may face declining sales, pressure on margins, and reduced product diversity. In addition, Amorim explained that the construction and renovation industry, already facing elevated costs due to inflation and supply chain pressures, may see delayed or downsized projects.

(297) Although these comments by Amorim provided more detail on their views relating to the impact of the measures on users and retailers, the Commission already accepted at recital 368 that the measures would have some negative impact on these parties. However, the absence of cooperation from these sectors means that the Commission has not been able to evaluate how important MWF is to various kinds of retailers and users in terms of sales turnover, what are their current profitability margins and how important the increased costs would be. The Commission therefore reiterates its view that the claims that these sectors will suffer major detrimental effects as a result of the measures have not been substantiated.

(298) Amorim also commented that the definitive disclosure did not take into account the long-term impact of the detrimental effects of measures on users and retailers. Amorim claimed that the absence of immediately quantifiable damage should not be interpreted as evidence that no damage exists or will occur.

(299) The measures proposed are due to last for 5 years and Amorim did not specify the negative impacts that might impact users and retailers, but simply speculated that there could be some impacts which are foreseen. Article 21 of the basic Regulation clearly states that Union interest arguments need to provide compelling arguments to overturn the need to impose duties. This claim was therefore rejected as it was unsubstantiated.

(300) Amorim also alleged that the Commission's analysis of users and retailers was 'passive' and put the burden of proof on the affected parties. In respect of SMEs Amorim commented that the definitive disclosure did not take into account the interests of SME users and retailers which may have less resources and may be less resilient to market disruption.

(301) The Commission rejects the claim that it was passive in its approach to the Union interest investigation. The views of all parties (including SMEs) were sought in both the Notice of Initiation and the letters despatched to the interested parties on Day 1 of the investigation. In this case very few parties came forward to make their views known and none completed the questionnaire designed for the use by users and retailers. Again, the Commission must refer to Article 21 of the basic Regulation which makes it clear that as part of the Union interest test interested parties need to demonstrate compelling reasons to overturn findings of dumping, injury and causation. The Commission must therefore reject the claim that it acted unfairly or with inadequate thoroughness.

(302) Amorim also alleged that there was an inconsistency in the Commission's approach pointing out that the provisional Regulation explicitly acknowledges the potential detrimental effects of the measures on users and retailers, yet the definitive disclosure rejects issues based solely on a lack of formal evidence.

(303) The Commission's provisional Regulation addresses all issues raised at that stage of the investigation whereas at the definitive stage the investigation focuses on new issues and points made following the publication of the provisional Regulation. In order to clarify this matter the Commission continues to acknowledge that certain negative impacts may result on users and retailers as a result of the measures.

(304) Amorim's comments in this section relating to consequences for consumers are dealt with in the section entitled 'Interests of consumers'.

(305) In the absence of further comments concerning the interest of users and retailers, recitals 366 to 369 of the provisional Regulation were confirmed.

7.1.4. *Interest of the Union timber industry*

(306) Following provisional disclosure, Amorim and Barth claimed that the EU timber industry, which was selling raw material to Chinese exporting producers, will see a decrease in their exports.

(307) Although the Commission found this claim unsubstantiated, the Commission indicated in recital 373 of the provisional Regulation that it did not expect the EU timber industry to be disproportionately affected by the measures since they were likely to support EU producers and the production in other third countries. Since the Commission's provisional determination, the Commission has not been in a position to substantiate the extent of the claims of detrimental effects on the EU timber industry, this claim was therefore rejected.

(308) In its comments following definitive disclosure Holz-Richter claimed that the entry into force of the EU Deforestation Regulation ('EUDR') would compound the negative effects of the measures on the Union timber industry, which would lose business with Chinese exporting producers of MWF.

(309) This claim was not substantiated and in the absence of cooperation from the timber industry it was not possible to evaluate this claim or to assess whether the timber industry would increase sales to the Union MWF industry. The claim was therefore rejected.

(310) In the absence of further comments concerning the interest of the Union timber industry, recitals 370 to 373 of the provisional Regulation were confirmed.

7.1.5. *Interest of Union consumers*

(311) Following provisional disclosure, Amorim, MEFO Floor, Puderbach and HAI claimed that consumers will be harmed as a result of increased prices caused by the measures.

(312) The Commission notes that this claim was already addressed in recital 375 of the provisional Regulation. The Commission does not contest that prices in the Union market are likely to increase as a result of this investigation. However, the Commission reiterates that MWF is not a regular purchase for consumers and in fact, MWF does not feature as an important element of most consumers' budgets. Therefore, the Commission dismissed this claim as there was no evidence that the measures may disproportionately affect consumers.

(313) Amorim commented on the 'Interest of consumers' in its submission made following definitive disclosure. Amorim comments related to i) the significance of MWF flooring to consumers, ii) the degree of consideration of long-term effects, iii) the alleged lack of a proactive approach iv) the impact on SMEs and specialized retailers v) an alleged inconsistency in the Commission's approach and vi) broader consumer issues.

(314) CNFPIA and Holz-Richter also made general comments on the 'Interest of consumers' in their submissions following the definitive disclosure.

(315) Amorim and Lovelin of London challenged the Commission's finding concerning the importance of MWF in consumer's budgets. Amorim made a distinction between consumers which had recently bought MWF flooring and other consumers. Amorim quoted figures from the European Consumer Research 2023 published by FEP to support its comment that one-time purchases such as MWF flooring can still have significant economic consequences on consumers. The research shows that 17 % of consumers had installed a new floor of some kind in the last 4 years. However, the same research shows that only 13 % of such floors were made of wood. This means that only 2 % of consumers in the research survey had installed a wooden floor in the last 4 years. The Commission therefore maintains its view that MWF does not feature as an important element of most consumers' budgets.

(316) Amorim also claimed that there would be a disproportionate impact on price-sensitive consumers who would normally buy MWF made in China.

(317) First of all, this claim lends support to the Commission's finding that Chinese imports undercut the Union producer's sales price. Furthermore, the Commission believes that such competition should be based on fair trade and therefore rejected the claim that the measures resulting from this investigation disproportionately affect price-sensitive consumers.

(318) Amorim also claimed that the Commission had not performed an adequate consumer impact assessment on the issues which would establish new findings for the investigation. Amorim also argued that the Commission should conduct thorough research in order to ensure that broader EU policy goals would not be undermined by the measures, such as the Green Deal, social equity and affordable housing.

(319) The Commission pointed out that no evidence was submitted to demonstrate that the anti-dumping measures proposed in the definitive disclosure would undermine these wider policy goals. Furthermore, the Commission recalled that the anti-dumping investigations are limited in time by strict statutory deadlines. As such the Commission is reliant on interested parties to submit actual, representative evidence and arguments to substantiate their views. The Commission has no choice but to operate within this legal framework. The Commission therefore rejects the claim that it did not operate within the law to identify consumer views and consider the impact on wider issues.

(320) In the absence of further comments concerning the interest of Union consumers, recitals 374 to 376 of the provisional Regulation were confirmed.

7.1.6. *Other factors*

(321) Following provisional disclosure, Amorim, MEFO Floor, Puderbach and the CNFPIA claimed that the measures would lead to the substitution of MWF by cheaper, less sustainable, products.

(322) The Commission cannot exclude that some degree of substitution may take place. However, this claim was unsubstantiated as no evidence was submitted to support the claim or the magnitude of any eventual substitution. The claim was therefore rejected.

(323) Following definitive disclosure Amorim reiterated its comments that the measures would lead to a reduction in demand for MWF and an increase in consumption of cheaper flooring options such as laminate, vinyl and luxury vinyl tiling (LVT). Holz-Richter, Lovelin of London and Puderbach supported these views. Amorim provided data on certain flooring types covering the years 2020 and 2024 to demonstrate that demand for different types of flooring shifted and identified price as a reason for these developments.

(324) The Commission did not contest that some consumers may switch to more affordable flooring alternatives in response to price increases. However, the Consumer Research submitted by Amorim clearly indicates that pricing is just one of factors that affect a consumers' decision making. In addition, CNFPIA submitted that demand in the MWF sector will increase in the coming years due to reduced inflation of its key costs once the Ukraine War is over. Nevertheless, clearly the Commission has not been presented with compelling evidence that the issue of substitutability demonstrates that measures are not in the Union Interest.

(325) Following provisional disclosure, Amorim and MEFO Floor, Puderbach and HAI claimed that as imports from China will decrease, they will be replaced by imports from other third countries. These parties claimed that the measures would not provide benefits to the Union industry.

(326) The Commission considers this claim unsubstantiated. However, it stems from the Commission's view in recital 359 of the provisional Regulation that the Union industry would benefit from the measures.

7.1.7. *Conclusion on Union interest*

(327) In the absence of comments concerning the conclusion on Union interest, recital 377 of the provisional Regulation was confirmed.

8. **DEFINITIVE ANTI-DUMPING MEASURES**

8.1. **Definitive measures**

(328) In view of the conclusions reached with regard to dumping, injury, causation, level of measures and Union interest, and in accordance with Article 9(4) of the basic Regulation, definitive anti-dumping measures should be imposed in order to prevent further injury being caused to the Union industry by the dumped imports of the product concerned.

(329) On the basis of the above, the definitive anti-dumping duty rates, expressed on the CIF Union border price, customs duty unpaid, should be as follows:

Country	Company	Dumping margin (%)	Injury margin (%)	Definitive anti-dumping duty (%)
China	Forest group	32,1	51,5	32,1
China	Fusong group	36,1	47,8	36,1
China	JINFA group	21,3	55,0	21,3
China	Other cooperating companies	28,0	52,3	28,0
China	All other companies originating in the PRC	36,1	55,0	36,1

(330) The individual company anti-dumping duty rates specified in this Regulation were established on the basis of the findings of this investigation. Therefore, they reflect the situation found during this investigation in respect to these companies. These duty rates are thus exclusively applicable to imports of the product under investigation originating in the country concerned and produced by the named legal entities. Imports of the product concerned manufactured by any other company not specifically mentioned in the operative part of this Regulation, including entities related to those specifically mentioned, cannot benefit from these rates and should be subject to the duty rate applicable to 'all other imports originating in China'.

(331) The Commission requested additional documents, such as business licences and articles of association from the non-sampled cooperating exporters to confirm their status as producers of the product concerned. From 63 parties that provided additional information, Huzhou Teya Floor Co., Ltd failed to demonstrate a link with the investigation and the Commission could not concluded that the company is an actual producer of the product concerned. Another company, JILIN XINYUAN WOODEN INDUSTRY CO., LTD, has not provided any additional information or evidence that it is an exporting producer. Therefore, these companies were considered as non-cooperating and deleted from the list of cooperating exporting producers.

(332) Following the definitive disclosure JILIN XINYUAN WOODEN INDUSTRY CO., LTD provided the requested information. Therefore, the company was added to the list of cooperating exporting producers.

(333) A company may request the application of these individual anti-dumping duty rates if it changes subsequently the name of its entity. The request must be addressed to the Commission ([21]). The request must contain all the relevant information enabling to demonstrate that the change does not affect the right of the company to benefit from the duty rate which applies to it. If the change of name of the company does not affect its right to benefit from the duty rate which applies to it, a regulation about the change of name will be published in the *Official Journal of the European Union*.

(334) To minimise the risks of circumvention due to the difference in duty rates, special measures are needed to ensure the proper application of the individual anti-dumping duties. The application of individual anti-dumping duties is only applicable upon presentation of a valid commercial invoice to the customs authorities of the Member States. The invoice must conform to the requirements set out in Article 1(3) of this Regulation. Until such invoice is presented, imports should be subject to the anti-dumping duty applicable to 'all other imports originating in China'.

([21]) Email: TRADE-TDI-NAME-CHANGE-REQUESTS@ec.europa.eu; European Commission, Directorate-General for Trade, Directorate G, Wetstraat 170 Rue de la Loi, 1040 Brussels, Belgium.

(335) While presentation of this invoice is necessary for the customs authorities of the Member States to apply the individual rates of anti-dumping duty to imports, it is not the only element to be taken into account by the customs authorities. Indeed, even if presented with an invoice meeting all the requirements set out in Article 1(3) of this Regulation, the customs authorities of Member States should carry out their usual checks and may, like in all other cases, require additional documents (shipping documents, etc.) for the purpose of verifying the accuracy of the particulars contained in the declaration and ensure that the subsequent application of the rate of duty is justified, in compliance with customs law.

(336) Should the exports by one of the companies benefiting from lower individual duty rates increase significantly in volume, in particular after the imposition of the measures concerned, such an increase in volume could be considered as constituting in itself a change in the pattern of trade due to the imposition of measures within the meaning of Article 13(1) of the basic Regulation. In such circumstances, an anti-circumvention investigation may be initiated, provided that the conditions for doing so are met. This investigation may, *inter alia*, examine the need for the removal of individual duty rate(s) and the consequent imposition of a country-wide duty.

(337) To ensure a proper enforcement of the anti-dumping duties, the anti-dumping duty for all other imports originating in China should apply not only to the non-cooperating exporting producers in this investigation, but also to the producers which did not have exports to the Union during the investigation period.

(338) Exporting producers that did not export the product concerned to the Union during the investigation period should be able to request the Commission to be made subject to the anti-dumping duty rate for cooperating companies not included in the sample. The Commission should grant such request provided that three conditions are met. The new exporting producer would have to demonstrate that: (i) it did not export the product concerned to the Union during the IP; (ii) it is not related to an exporting producer that did so; and (iii) has exported the product concerned thereafter or has entered into an irrevocable contractual obligation to do so in substantial quantities.

8.2. **Definitive collection of the provisional duties**

(339) In view of the dumping margins found and given the level of the injury caused to the Union industry, the amounts secured by way of provisional anti-dumping duties imposed by the provisional Regulation, should be definitively collected up to the levels established under the present Regulation.

8.3. **Retroactivity**

(340) As mentioned in section 1.2, the Commission made imports of the product under investigation subject to registration.

(341) Following provisional disclosure, FEP claimed that Eurostat statistics show that imports from China had increased massively and that the conditions for retroactive collection of duties were met.

(342) During the definitive stage of the investigation, the data collected in the context of the registration was assessed. The Commission analysed whether the criteria under Article 10(4) of the basic Regulation were met for the retroactive collection of definitive duties.

(343) The Commission considers that the imports of the product concerned have been registered in accordance with Article 14(5) of the basic Regulation in compliance with criterion (a).

(344) The Commission considers that importers have been given an opportunity for comment under criterion (b) with the publication of the provisional Regulation.

8.3.1. *History of dumping or awareness of the dumping or injury by the importer*

(345) Pursuant to Article 10(4)(c) of the basic Regulation, there needs to be 'a history of dumping over an extended period, or the importer was aware of, or should have been aware of, the dumping as regards the extent of the dumping and the injury alleged or found'. In the present case, the Commission considers that the importers were aware, or should have been aware of, the dumping as regards the extent of the dumping and the injury alleged or found since the date of initiation of the investigation.

(346) The Notice of Initiation and the non-confidential version of the complaint contained a number of statements and items of evidence supporting and stating the extent of the dumping and injury alleged. Consequently, the Commission considered that the importers and users were aware, or should have been aware, of the alleged dumping practices, the extent thereof and the alleged injury.

(347) It is thus concluded that this criterion of retroactive collection of duties has been met.

(348) Following definitive disclosure, AUMI and CNFPIA challenged the Commission's decision to retroactively impose anti-dumping duties from the date of registration and submitted that the Commission's approach failed to meet all cumulative conditions set out in Article 10(4) of the basic Regulation as interpreted by the Court in case T-749/16 ([22]). The CNFPIA submitted that that the Commission has not provided a duly substantiated justification for its decision to register in the first place. According to CNFPIA the decision to register imports must be duly substantiated in particular when the Commission (like in the present case) acts *ex officio*. CNFPIA also noted that this is contrary to the Commission's practice in previous investigations and claimed that the Commission's failure to adequately substantiate its registration decision breaches the legal principles established by the General Court and undermines legal certainty for importers.

(349) The Commission noted that in accordance with Article 14(5) of the basic Regulation imports shall be made subject to registration following a request, from the Union industry, which contains sufficient evidence to justify such action. Imports may also be made subject to registration on the Commission's own initiative. Whereas it is clear that registration of imports following a request is subject to the existence of sufficient evidence to justify registration, there is no such requirement for registration of imports on the Commission's own initiative. The Commission also noted that the change in practice has been communicated in the Commission's press release of 24 September 2024 ([23]). This claim was therefore rejected.

(350) Moreover, CNFPIA and AUMI submitted that the Commission failed to demonstrate that importers were aware (or should have been aware) of the extent of alleged dumping and injury and that the Commission's approach in the present investigation essentially renders Article 10(4)(c) redundant. By automatically registering all imports as of September 2024 the Commission removed the substantive value of the awareness requirement, making it a procedural formality rather than a legally meaningful condition. AUMI and CNFPIA claimed that the Commission's presumption that importers should have been aware of dumping following the publication of the Notice of Initiation (NoI) and of the non-confidential version of the complaint has rendered Article 10(4)(c) of the basic Regulation hollow.

(351) Amorim claimed that the mere publication of the NoI was not sufficient for the Commission to claim that parties should have been aware of dumping within the meaning of Article 10(4)(c) of the basic Regulation.

(352) The Commission noted that CNFPIA and AUMI confuse two concepts: registration and retroactive collection. Whereas registration is a customs tool facilitating the identification of the imports on which retroactive collection of duties may be sought and can be done on Commission's own initiative, retroactive collection can only take place if the conditions set out in Article 10(4) of the basic Regulation are assessed and met. As explained in recitals 345 to 346 above, the Commission assessed and established that importers were aware of, or should have been aware of,

([22]) Judgment of 8 May 2019, *Stemcor London Ltd and Samac Steel Supplies Ltd* v *European Commission*, Case T-749/16, ECLI:EU:T:2019:310.
([23]) Commission to register imports of all products under trade defence investigations in bid to fight unfair competition - European Commission,

the dumping as regards the extent of the dumping and the injury alleged or found'. As confirmed by the Court in case T-749/16 ([24]) referenced in recital 348 above, the Commission considered that importers were aware or should have been aware of the dumping and the injury alleged since the publication of the NoI and of the non-confidential version of the complaint. Therefore, the Commission rejected this claim.

(353) CNFPIA further argued that the Commission had not proven that there was a substantial post-IP increase in imports. At the outset, the IP (2023) was itself characterized by a significant reduction in imports. In comparison to the particularly low import volumes in 2023, the slight increase in imports in 2024 was simply a rebound to more typical levels of trade, as demonstrated by data from previous years. While Chinese imports increased in 2024, they remained below the levels observed in 2022, when the market conditions were more typical. CNFPIA noted that unlike in its previous investigations, the Commission failed to conduct a thorough analysis of post-IP imports in order to assess how post-IP import volumes have, or even could have, impacted market conditions, particularly in terms of pricing and competition. Furthermore, the Commission failed to assess any potential stockpiling by importers and thus had failed to show that any increase was likely to undermine the remedial effect of the anti-dumping duties. In light of these omissions, the CNFPIA submitted that the Commission had failed to meet the conditions outlined in Article 10(4)(d) of the basic Regulation. As such, the retroactive application of duties was unjustified and should be reconsidered as the retroactive collection of duties remains an exception which can only be justified in extraordinary circumstances.

(354) Amorim, Barth, Fusong, Lovelin and Thede&Witte submitted that the Commission should have taken into account the lead-time between the date of the order and the date of the import when assessing if importers should have been aware of dumping. Amorim and Barth claimed that most of the imports following the publication of the NoI had been ordered prior to the NoI. Amorim claimed that the lead-time between the date of the order and the date of import was between 12 and 16 weeks including four to six weeks to manufacture the goods and around 60 days for the shipments to reach the Union. Thede & Witte claimed that the lead-time was of at least three months, Fusong between 3,5 and 4,5 months and Lovelin of at least six months. Barth claimed that the vast majority of the MWF imported after the publication of the NoI had been ordered before the NoI and submitted confidential data to support the claim. AUMI submitted that the Commission did not investigate if stockpiling had occurred and added that during the verification visit of Lamett, the Commission did not enquire or verify the matter. In view of this lead-time, these parties claimed that at the time of the orders they could not have been aware of dumping and therefore, the condition in Article 10(4)(c) of the basic Regulation had not been fulfilled.

(355) At the outset the Commission recalls that, as noted by the General Court in Stemcor, 'Article 10(4)(d) of the basic regulation requires, for the purposes of retroactively applying a definitive anti-dumping duty, that, "in addition to the level of imports which caused injury during the investigation period, there is a further substantial rise in imports" which, "in the light of its timing" and volume and other circumstances, is likely to seriously undermine the remedial effect of the definitive anti-dumping duty to be applied' ([25]). It is clear that the provision refers to 'imports' and not 'orders' that are likely to seriously undermine the remedial effect of the definitive anti-dumping duty to be applied. The Court further found that 'the effects of imports made during the registration period cannot be distinguished with certainty from the effects of those made before that period, since the low-priced imports that entered the European Union during the registration period might be added to an increased stockpile of products established beforehand, at a time when importers were already aware of the possibility that anti-dumping duties might be applied retroactively on registered imports, thereby contributing to seriously undermining the remedial effect of the definitive anti-dumping duty to be applied' ([26]).

([24]) Judgment of 8 May 2019, *Stemcor London Ltd and Samac Steel Supplies Ltd* v *European Commission*, Case T-749/16, ECLI:EU:T:2019:310, see, in particular, paras. 29-59.

([25]) Judgment of 8 May 2019, *Stemcor London Ltd and Samac Steel Supplies Ltd* v *European Commission*, Case T-749/16, ECLI:EU:T:2019:310, see, in particular, para. 72.

([26]) Ibid. para. 75.

(356) Finally, whilst the importer's awareness of the initiation of the investigation is decisive for the purposes of applying Article 10(4)(c) ([27]) of the basic Regulation ([28]), this Implementing Regulation 'does not pursue a "punitive" objective. Whilst, […], Article 10(1) of the basic Regulation affirms the principle of non-retroactivity of anti-dumping measures, several provisions of the basic regulation derogate from that principle by permitting, under certain conditions, the application of anti-dumping measures to products released into free circulation before the entry into force of the regulation establishing those measures, those products having been registered in accordance with Article 14(5) of the basic Regulation, and does so with the sole purpose of preventing the remedial effect of the definitive measures from being seriously undermined and those measures thereby being rendered meaningless' ([29]). It follows that the likely effect of the relevant imports, rather than the intention of the importers should be in the focus of the assessment under Article 10(4)(d) of the basic Regulation. Consequently, 'the "further substantial rise in imports" within the meaning of Article 10(4)(d) of the basic [R]egulation must be assessed as a whole in order to determine whether the imports, taken as a whole, are likely to seriously undermine the remedial effect of the definitive duties and thus create additional injury for the Union industry, without considering the individual and subjective position of the importers in question' ([30]).

(357) The Commission did not contest that the time elapsed between the order and the import date may have taken several weeks or months. In addition to recalling the principles reproduced in the previous two recitals, and in particular the focus of Article 10(4)(d) of the basic Regulation on the effect of the imports rather than the intention behind the them or timing of their orders, the Commission considered that for pending orders following the publication of the NoI, importers could have considered alternatives to importing such large quantities including reselling to markets outside the EU or renegotiating with their supplier. The Commission assessed the data submitted by Barth and noted that it only represented 14 % of all the imports from China. Therefore, in addition to being essentially irrelevant in view of the principles recalled above, the Commission did not consider the data sufficiently representative to assume that all other importers were in the similar situation. In addition, Barth did not provide a questionnaire reply and its data could not be verified. In relation to AUMI's claim, the Commission acknowledged that it did not verify if Lamett, which was the only importer that cooperated in this investigation, had been stockpiling in 2024. However, the Commission noted that as imports from Lamett represented only 6 % of all the imports from China in the IP, it could not have been used to draw conclusions. The Commission further noted that the submissions summarised in recital 354 do not contest that the imports rose significantly although the reason provided was to import MWF in advance of the entry into force of the EU Deforestation Regulation ('EUDR'). Therefore, the Commission rejected these claims.

8.3.2. *A further substantial rise in imports likely to undermine the remedial effect of the definitive anti-dumping duty*

(358) Pursuant to Article 10(4)(d) of the basic Regulation, there needs to be 'a further substantial rise in imports in addition to the level of imports which caused injury during the investigation period'.

(359) The average monthly import volume reported in Eurostat ([31]) from the PRC during the investigation period was 935 477 m^2 ([32]). The Eurostat data shows that the average monthly import volume from the PRC in the period starting in the first full month after publication of the Notice of initiation of the investigation in the *Official Journal of the European Union* and ending in the last full month preceding the imposition of provisional measures (June 2024 to December 2024) was 1 457 082 m^2, that is, 56 % higher than the average during the full investigation period. This figure was also 66 % higher than the monthly average import volume of those same calendar months during the IP (June 2023 to December 2023).

([27]) Whether 'there is, for the product in question, a history of dumping over an extended period, or the importer was aware of, or should have been aware of, the dumping as regards the extent of the dumping and the injury alleged or found'.
([28]) Ibid. para. 76.
([29]) Ibid. para. 87.
([30]) Ibid. para. 86.
([31]) Volumes have been corrected using the methodology described in recital 227 of the provisional Regulation.
([32]) This value is 0,2 % higher than the average obtained using the figure in Table 3 of the provisional Regulation. This immaterial difference is due to the data adjustments in the Eurostat database.

(360) Taking the period from the first full month following initiation and ending in the last full month preceding the registration of imports (June 2024 to September 2024) results in a monthly average import volume of 1 430 396 m^2, which is 53 % higher than the monthly average during the full investigation period. This figure was also 52 % higher than the monthly average import volume of those same calendar months during the IP (June 2023 to September 2023).

(361) Both results demonstrate that there was a substantial increase in import volumes after initiation.

(362) This increase in imports has taken place against a drop in consumption of 5 % in 2024 as compared to 2023, as described in industry publications ([33]). This is a clear sign of further injury to the Union industry.

(363) Absent any other explanation, the Commission concluded that the substantial increase in import volumes after initiation was indicative of the existence of stockpiling.

(364) Furthermore, the monthly average import price in the period between June 2024 to September 2024 was EUR 22,22 per m^2, which was 4,1 % lower than the monthly average price during the full IP. In addition, the monthly average import price in the period between June 2024 to December 2024 was 22,47 per m^2, which was 3 % lower than the monthly average price during the full IP. These results indicate that the substantial increase in Chinese imports were at prices lower, in average, than those during the IP.

(365) Following definitive disclosure, Fusong claimed that the Commission should have disclosed the adjusted monthly import data to offer the opportunity to comment on it.

(366) The Commission noted that it already described the methodology to adjust Eurostat import quantities in m^2 in recital 227 of the provisional Regulation and has included the results in recitals 359 and 360 above. Therefore, the claim was rejected.

(367) Fusong submitted that the Commission should have taken into account the lead-time between order and import when assessing the increase in imports. Amorim, Barth claimed that most quantities imported as of June 2024 corresponded to orders prior to 17 May 2024 and Barth submitted confidential data to support its claim. AUMI, Barth, CNFPIA, Fusong and Thede&Witte added that imports in 2023 were abnormally low and therefore not suitable for comparing them against the figures from 2024. AUMI submitted that the increase in imports resulting from comparing against 2023 data should have been assessed in the light of its timing and volume and other circumstances as required by Article 10(4)(d) of the basic Regulation. Fusong suggested comparing the imports in 2024 against the total period considered. Barth and Fusong added that the market conditions had led importers to stockpile in 2022 and following the drop in consumption in 2023, it resulted in a reduction of imports in 2023. AUMI submitted that in the period considered and in 2024, imports in the second half of these years were generally higher than in the first half except in 2023, which AUMI attributed, as did CNFPIA, to the impact of the Red Sea crisis on commercial shipping as of November 2023. Cora Domenica claimed that they had imported less quantity in 2024 than in 2023.

(368) As regards the claims related to the role of the lead time between the date of the order and the date of the import, and as explained in recitals 355 to 356 above, the Commission did not consider relevant to exclude imports ordered before the publication of the NoI from the comparison. As noted by the Court in case T-749/16 referenced in recital 348 above, the 'further substantial rise in imports' within the meaning of Article 10(4)(d) of the basic Regulation must be assessed from the moment that importers were aware of the possibility that a duty might subsequently be applied on registered imports, which means that the imports that took place as of the publication of the notice of initiation of investigation must be included in order to determine whether those imports, together with the imports which took place during the registration period, were likely to undermine the remedial effect of the definitive duties to be applied ([34]). Therefore, that argument must be rejected.

([33]) Source: FEP press release from 27 January 2025. https://www.parquet.net/2025/01/european-parquet-market-2024.html#:~:text=At%20the%20occasion%20of%20its,under%205%25%20compared%20to%202023.

([34]) Judgment of 8 May 2019, *Stemcor London Ltd and Samac Steel Supplies Ltd* v *European Commission*, Case T-749/16, ECLI:EU:T:2019:310, see, in particular, paras. 72-75.

(369) As regards the claims related the representativity of 2023, the Commission considers 2023 appropriate as the Commission has used the IP data not only for comparing import quantities but also for comparing consumption and prices. Furthermore, in view of the submissions from Barth and Fusong regarding stockpiling in 2022, there is no evidence on file to conclude that using 2022 in the calculation would have rendered a more representative result. Regarding the claim from Cora Domenica, the Commission acknowledged that some importers may have imported lower quantities than in 2023. However, the 'further substantial rise in imports' within the meaning of Article 10(4)(d) of the basic Regulation must be assessed in their totality in order to determine whether the imports, taken as a whole, are likely to seriously undermine the remedial effect of the definitive duties and thus create additional injury for the Union industry, without considering the individual and subjective position of the specific importers in question. Therefore, the Commission rejected these claims.

(370) Amorim, Barth, Lovelin, Puderbach, Thede&Witte claimed that the increase in inventories was not in anticipation of potential anti-dumping duties but in anticipation of the entry into force of the EU Deforestation Regulation ('EUDR') by the end of December 2024. These parties claimed that this new Regulation introduced certain requirements that would have made compliance difficult. Barth further submitted that the confidential data submitted showed that imports decreased sharply as of November 2024, serving as a proof that the reason for increasing inventories was the entry into force of the EUDR. Holz-Richter claimed that the increase in imported quantities was due to the poor availability of MWF by EU producers, especially in 2021 and 2022. AUMI and Puderbach claimed that increased import quantities from China was also due to the decrease in imports from Ukraine.

(371) The Commission does not consider relevant the reasons for stockpiling since the result, regardless of the reasons, is that goods were imported at significantly higher quantities and lower prices before the provisional duties entered into force. Regardless of their *raison d'être*, those stocks are 'likely to seriously undermine the remedial effect of the definitive anti-dumping duty to be applied' within the meaning of Article 10(4)(d) of the basic Regulation. Therefore, the Commission rejected these claims.

(372) Fusong, Thede&Witte contested the decrease in consumption used by the Commission in the context of assessing the condition under Article 10(4)(d) of the basic Regulation. Fusong indicated that the figure used is a preliminary forecast by FEP and that the Commission should have verified it. Thede&Witte argued that the figure may have included a mix of products such as solid wood and mosaic. Furthermore, it submitted a press release from the German Parquet Association which reported an increase in sales in Germany of 8 %.

(373) The Commission noted that it had used the only document available on file as regards Union consumption in 2024 and other parties had not submitted any other information. The Commission also noted that an increase in consumption in Germany could still result in a decrease in consumption in the Union. The Commission simulated a scenario whereby Union consumption would have increased in 2024 by 8 % as compared to 2023. Using the adjusted Eurostat import quantities in 2024, the results showed that the market share of Chinese imports would still have increased and that the market share of EU industry would have decreased. Therefore, the Commission rejected these claims.

(374) AUMI and Fusong claimed that comparing monthly average prices was too simplistic as it did not cater, for instance, for differences in the product mix and added that the result was insufficient to draw conclusions. Fusong further submitted that the Commission did not disclose the data and therefore could not assess the reported price decrease. Barth submitted that the price decrease used by the Commission is insignificant and could be attributed to differences in factors such as the prices of raw material prices, currency exchange rates or sea freight rates.

(375) The Commission noted that average monthly prices for imports is only available through the Eurostat statistics which do not differentiate between the different types of products concerned. The Commission further noted that in its assessment, it did not use the price difference in isolation but together with the difference in imported quantities and in consumption. The Commission also considered that insofar there is not a major increase in import prices, the extent of the decrease does not have any effect on the assessment. As regards the claim on the availability of the data, the Commission had already addressed it in recital 366 above. Therefore, the Commission rejected these claims.

(376) Amorim claimed that the Commission did not demonstrate that imports post-NoI had harmed the Union industry. Furthermore, AUMI, Amorim, CNFPIA, Fusong and Thede&Witte claimed that the Commission did not prove that imports had undermined the remedial effect of the measures. AUMI and CNFPIA claimed that as in the investigation on Cold-rolled flat steel products ([35]), the Commission should have i) assessed post-IP import quantities and market shares, ii) analysed price developments and post-IP price undercutting and iii) examined the claims as regards stockpiling. Barth claimed that most of the quantities imported in the second half of 2024 had left its warehouses as it had been sold or distributed and submitted evidence to support the claim. Thede&Witte claimed that the decrease in imported quantities as of November 2024 suggested that earlier imported products had been sold. Therefore, those imports could not have undermined the remedial effects of the measure.

(377) The Commission did not consider that the provisions in Article 10(4) of the basic Regulation required assessing if imports after the publication of the NoI had caused injury to the Union industry. To recall Article 10(4)(d) requires that 'there is a further substantial rise in imports which, in the light of its timing and volume and other circumstances, is likely to seriously undermine the remedial effect of the definitive anti-dumping duty to be applied'. Using the adjusted Eurostat import quantities from 2024 and the consumption level, the Commission estimated that the market share of Chinese imports increased from 21,5 % in 2023 to 31,2 % in 2024 notably at the expense of the market share of the EU industry which fell from 67,1 % in 2023 to 57,9 % in 2024. The Commission considered that the increase in inventories had allowed reducing imports after provisional measures and therefore undermined the effect of the measures since the imported quantities and stocks would not include anti-dumping duties and therefore could be resold at lower prices than duty-paid imports. As regards the data submitted by Barth, the Commission considered that it was not sufficiently representative to draw conclusions as indicated in recital 357 above. As regards the claim from Thede&Witte, the Commission does not consider that lower quantities of imports in a given month is an indicator that imports in earlier months had been sold. Therefore, the Commission rejected these claims.

(378) AUMI claimed that the retroactive collection of duties would not be in the Union interest. AUMI, Amorim and Lovelin submitted that the retroactive collection of duties would cause disproportionate harm on importers.

(379) The Commission noted that there is no legal requirement under Article 10(4) of the basic Regulation to assess the Union interest. However, although the Commission acknowledged that the retroactive collection of duties will harm some importers all the conditions for the retroactive collection of duties have been met in the case at hand. Therefore, the Commission rejected the claim.

(380) On this basis, the Commission concluded that the conditions as set out in Article 10(4) of the basic Regulation for the retroactive application of the definitive anti-dumping duty are met. A definitive anti-dumping duty should therefore be levied on the product concerned, which was made subject to registration by Implementing Regulation (EU) 2024/2733. The level of the duty to be collected retroactively should be set at the level of the provisional duties imposed under Implementing Regulation (EU) 2025/78, to the extent that they are lower than the level of the definitive duties imposed under the present Regulation. Where the definitive duty is lower than the provisional duty, the duty shall be recalculated in order to collect the lower amount.

9. **SPECIAL MONITORING**

(381) The product concerned currently falls under the CN code 4418 75 00. The Commission has evidence on the file that, when exported, the product concerned is sometimes declared wrongly under the Chinese customs codes 4412 52 00 and 4412 92 00. These codes refer to blockboards, laminboards and battenboards with at least one outer ply of non-coniferous wood other than tropical wood. Moreover, the Commission established that even though the product concerned was produced in China, when exported to destinations other than the Union, it was occasionally labelled as originating from another third country. Consequently, to minimise the risk of circumvention, the Commission considered appropriate to monitor imports from China of products declared under CN codes 4412 52 00 and 4412 92 00, and the imports of the product concerned originating or consigned from other third countries.

([35]) Commission Implementing Regulation (EU) 2016/1328 of 29 July 2016 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of certain cold rolled flat steel products originating in the People's Republic of China and the Russian Federation, OJ L 210, 4.8.2016, p. 1,

10. **FINAL PROVISION**

(382) In view of Article 109 of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council ([36]), when an amount is to be reimbursed following a judgment of the Court of Justice of the European Union, the interest to be paid should be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the *Official Journal of the European Union* on the first calendar day of each month.

(383) The measures provided for in this regulation are in accordance with the opinion of the Committee established by Article 15(1) of Regulation (EU) 2016/1036,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is imposed on imports of assembled flooring panels, multilayer, of wood, currently falling under CN code 4418 75 00 and originating in People's Republic of China.

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

Country of origin	Company	Definitive anti-dumping duty	TARIC additional code
China	*Forest Group* — JiLin Newco Wood Industries Co., Ltd. — Jilin Forest Industry New Jinqiao Songlin Flooring Co.,Ltd.	32,1 %	89IL
China	*Fusong Group* — Dalian Qianqiu Wooden Product Co., Ltd. — Fusong Diwang Wooden Product Co., Ltd. — Fusong Jinlong Wooden Group Co., Ltd. — Fusong Jinqiu Wooden Product Co., Ltd. — Fusong Qianqiu Wooden Product Co., Ltd.	36,1 %	89IM
China	*Jinfa Group* — Hunchun Xingjia Wooden Flooring Inc — Changchun Delin Wooden Floors Inc.	21,3 %	89IN
China	Other cooperating companies listed in Annex I	28,0 %	
China	All other imports originating in China	36,1 %	8999

([36]) Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) (OJ L, 2024/2509, 26.9.2024.

3. The application of the individual duty rates specified for the companies mentioned in paragraph 2 shall be conditional upon presentation to the Member States' customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows: 'I, the undersigned, certify that the (volume in unit we are using) of (product concerned) sold for export to the European Union covered by this invoice was manufactured by (company name and address) (TARIC additional code) in the People's Republic of China. I declare that the information provided in this invoice is complete and correct.' Until such invoice is presented, the duty applicable to all other imports originating in China shall apply.

4. The following products shall be excluded from the product described in paragraph 1:

— Panels of bamboo or with at least the top layer (wear layer) of bamboo, and panels for mosaic floors.

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

Article 2

The amounts secured by way of the provisional anti-dumping duty under Commission Implementing Regulation (EU) 2025/78 imposing a provisional anti-dumping duty on imports of on imports of multilayered wood flooring originating in the People's Republic of China shall be definitively collected. The amounts secured in excess of the definitive rates of the anti-dumping duty shall be released.

Article 3

A definitive anti-dumping duty is levied on imports of multilayered wood flooring, currently falling under CN code 4418 75 00 originating in the People's Republic of China, which have been registered in accordance with Article 1(1) of Implementing Regulation (EU) 2024/2733.

The rate of the anti-dumping duty applicable to the net, free-at-Union-frontier price, before duty, of the products described in Article 1(1) of Implementing Regulation (EU) 2024/2733 and produced by the companies listed below, shall be as follows:

Country of origin	Company	Definitive anti-dumping duty	TARIC additional code
China	*Forest Group* — JiLin Newco Wood Industries Co., Ltd. — Jilin Forest Industry New Jinqiao Songlin Flooring Co.,Ltd.	32,1 %	89IL
China	*Fusong Group* — Dalian Qianqiu Wooden Product Co., Ltd. — Fusong Diwang Wooden Product Co., Ltd. — Fusong Jinlong Wooden Group Co., Ltd. — Fusong Jinqiu Wooden Product Co., Ltd. — Fusong Qianqiu Wooden Product Co., Ltd.	36,1 %	89IM
China	*Jinfa Group* — Hunchun Xingjia Wooden Flooring Inc — Changchun Delin Wooden Floors Inc.	21,3 %	89IN

Country of origin	Company	Definitive anti-dumping duty	TARIC additional code
China	Other cooperating companies listed in Annex I	28,0 %	
China	All other imports originating in China	36,1 %	8999

Article 4

Article 1(2) may be amended to add new exporting producers from the People's Republic of China and make them subject to the appropriate weighted average anti-dumping duty rate for cooperating companies not included in the sample. A new exporting producer shall provide evidence that:

(a) it did not export the goods described in Article 1(1) during the period of investigation (1 January 2023 to 31 December 2023);

(b) it is not related to an exporter or producer subject to the measures imposed by this Regulation, and which could have cooperated in the original investigation; and

(c) it has either actually exported the product concerned or has entered into an irrevocable contractual obligation to export a significant quantity to the Union after the end of the period of investigation.

Article 5

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

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

Done at Brussels, 11 July 2025.

For the Commission
The President
Ursula VON DER LEYEN

ANNEX

People's Republic of China cooperating exporting producers not sampled

Country	Name	TARIC additional code
China	Anhui Jinxiang Wood Technology Co., Ltd.	89IO
	Anhui Sunhouse Floor Technology Co., Ltd.	89IP
	Anhui Zhichang Bamboo and Wood Products Co., Ltd.	89IQ
	ARTIST INTELLIGENT HOUSEHOLD CO.,LTD.	89IR
	BENXI FLOORING FACTORY (GENERAL PARTNERSHIP)	89IS
	CENTENNIAL MENDI (JINHU) HOME FURNISHING TECHNOLOGY CO., LTD	89IT
	DALIAN AMUER WOOD CO., LTD.	89IU
	Dalian Deerfu Wooden Product Co., Ltd.	89IV
	DALIAN DUNCHENG WOOD INDUSTRY CO., LTD.	89IW
	DALIAN HANCHUAN WOOD PRODUCTS CO., LTD.	89IX
	DALIAN HANDIAN WOOD INDUSTRY CO., LTD.	89IY
	DALIAN HUIYUE WOOD CO., LTD.	89IZ
	DALIAN JAENMAKEN WOOD INDUSTRY CO., LTD.	89JA
	DALIAN JINDA WOOD PRODUCTS CO., LTD.	89JB
	DALIAN KEMIAN WOOD INDUSTRY CO., LTD.	89JC
	DALIAN MUSEN WOOD CO., LTD.	89JD
	Dalian New Sanlin Flooring Co., Ltd.	89JE
	DALIAN OUXIANG WOOD CO., LTD.	89JF
	Dalian Penghong Floor Products Co., Ltd.	89JG
	DALIAN RUIJIAN WOOD INDUSTRY CO., LTD.	89JH
	DALIAN SHENGCHUANG WOOD INDUSTRY CO., LTD.	89JI
	DALIAN SHENGYU SCIENCE AND TECHNOLOGY DEVELOPMENT CO., LTD.	89JJ
	Dalian Shumaike Floor Manufacturing Co., Ltd.	89JK
	Dalian Universal Wood Products Co.,Ltd.	89JL
	DALIAN XINJIAZHOU WOOD PRODUCTS CO., LTD.	89JM
	DALIAN YOU MING WOOD BUSINESS CO., LTD.	89JN
	Muling Kemian Wood Industry CO., LTD	89JO
	DeHua TB New Decoration Material Co, Ltd.	89JP
	Deqing Shengfei Wood Co., Ltd.	89JQ
	Dunhua Shengda Wood Industry Co., Ltd.	89JR
	FUSHUN FUSEN JINFENG WOODEN PRODUCTS CO.,LTD.	89JS
	Fushun Handu Import & Export Co., Ltd.	89JT

Country	Name	TARIC additional code
	Fusong County Huayi Wooden Co., Ltd.	89JU
	Fusong Huasong Wooden Co., Ltd.	89JV
	HaiLin LinJing Wooden Products Co., Ltd.	89JX
	HUNCHUN FOREST WOLF WOODEN INDUSTRY CO., LTD	89JY
	HUZHOU AMIRA WOOD CO., LTD.	89JZ
	Jesonwood Forest Products (ZJ) Co., Ltd.	89KB
	Jiangsu Mingle Flooring Co., Ltd.	89KC
	Jiangsu ShengYu Flooring Co., Ltd.	89KD
	Jiangsu Wanli Wooden Co., Ltd.	89KE
	JIANGSU ZHUOYI HOME FURNISHING TECHNOLOGY CO., LTD.	89KF
	Jiashan On-Line Lumber Co., Ltd.	89KG
	JILIN CITY XIN JINGKAI WOOD CO., LTD.	89KH
	Jilin Jiahe Wood Industry Co.,Ltd	89KI
	JILIN XINYUAN WOODEN INDUSTRY CO., LTD	89KJ
	KINGMAN WOOD INDUSTRY CO.,LTD	89KK
	Muling City Yihe Wood Co., Ltd	89KL
	NEW GARDEN SMART HOME TECHNOLOGY CO., LTD	89KM
	Ning'an City Shengchang Wood Industry Co.,Ltd	89KN
	SHANDONG LONGTENG WOOD CO., LTD	89KO
	Shaoxing Haohua Timber Industry Co., Ltd	89KP
	Sino-Maple (Jiangsu) Co., Ltd	89KQ
	SUIFENHE JINLIN WOOD INDUSTRY CO.,LTD.	89KR
	SUZHOU DONGDA WOOD CO.,LTD	89KS
	Suzhou Duolun Wood Industry Co.,Ltd.	89KT
	TONGXIANG SHENGGONG TIMBER INDUSTRY CO., LTD..	89KU
	Xuzhou Changlin Floors Co., Ltd	89KV
	Yekalon Mills	89KW
	Zhejiang Changfang Wooden Co.,Ltd.	89KX
	Zhejiang Guolian Floor Co., Ltd.	89KY
	Zhejiang Lingge Wood Co., Ltd.	89KZ
	Zhejiang Longsen Lumbering Co., Ltd.	89LA