



PRESS RELEASE

For immediate release

**GLASS FIBER MANUFACTURERS START ANTI DUMPING PROCEDURE -
EFFECTS ON THE COMPOSITE INDUSTRY UNCLEAR
ANTI-DUMPING TARIFFS ON GLASS FIBER MAY INCREASE PRICE FOR USERS BY 20 %**

January 2010

I. Introduction

On 17 December 2009, the Official Journal of the EU published a notice of initiation of anti-dumping proceedings concerning imports of certain continuous filament glass fiber products from China. The complaint was lodged by the European Glass Fiber Producers Association (APFE). According to EuCIA, the Brussels based European Composites Industry Association and EuPC, the Trade Association of the European Plastics Converters this antidumping case could have several effects on the Composite Industry.

Past antidumping cases have shown that outcomes are unpredictable and in some situations – irrational. EuCIA together with EuPC will meet representatives of the European Commission to get a clearer idea about the anti-dumping investigation into glass fiber originating in China.

II. Burden on the European Composites Industry

Based on the existing official information and further clarifications from the European Commission, EuCIA considers that import duties on glass fiber from China will very likely lead to prices increase within our industry in a short time period.

EuCIA supports a free competitive business environment and will carefully investigate within our industry whether dumping takes place or not. Based on the conclusions, we will support or act against the anti-dumping proceedings. Consequently, possible unjustified import duties will affect the whole chain, including the European consumers and their purchasing power.

EuCIA represents the interests of over 8.000 -10.000 companies active in the production of various types of composites in 10 European countries. An estimated 100.000 employees are active in industrial sectors including transport, building & construction, consumer goods, aerospace, wind energy, sports & leisure, electrical and electronics, etc. The large market spectrum regarding the use of composite material is mainly a result of the high properties, compared with traditional materials such as aluminium or steel.

III. Short and long-term effects

Significant import duties for business and consumers

Past similar experiences within the polymer and other industries have shown that in some cases, import duties can reach figures as high as 20%, thus increasing the cost of raw material in Europe.

Rise of unemployment in the composites industry

Glass fiber use from China by our industry is currently part of the global business development, balancing the costs in the production process. If changes are foreseen, the cost competition within our industry will be affected and have negative outcomes for ongoing and future investments and employment within the sector.

Relocation of production plants outside Europe

Due to increase in prices and other factors, companies may consider relocation of production outside Europe (e.g. China). The price of glass fiber is as competitive in Europe as is in China.

IV. EuCIA provides pro-active support to the European Composites Industry

Due to the high number of stakeholders involved in the process the European Commission requested interested parties (users, producers, importers, etc) to make their interest known. EuCIA advises company users to take a collaborative stand and verify with the European Commission officials whether the company has been registered as user in this proceeding. Additionally, any company can express its opinions about anti-dumping of fiber glass via a questionnaire and receive further information from the European Commission. The deadline for sending the users' questionnaire to the European Commission is **25 January 2010**.

Within our sector of over 8000 companies in Europe, many have enquired for assistance and further clarifications. Through its leading Brussels - based EU-level Trade Association EuPC, representing European Plastics Converters, EuCIA notified the European Commission as interested parties in the proceeding.

Notice of initiation of anti-dumping proceedings (Official Journal of the European Union):
<http://eur-lex.europa.eu/JOhtml.do?uri=OJ:C:2009:307:SOM:EN:HTML>

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