

Summary of the Written Application from the Domestic Industry

On February 26, 2024, the Minister of Finance received an application to impose an anti-dumping duty on graphite electrodes originating in the People's Republic of China (excluding the regions of Hong Kong and Macao; hereinafter referred to as "China") from applicants* (SEC Carbon Ltd., Tokai Carbon, Co., Ltd., and Nippon Carbon Co., Ltd.). The outline of the written application is as follows.

*Note: The collective output of the applicants constitutes more than 50% of the total domestic production.

1. Dumped imports

Based on the normal value** and the export price from China to Japan during the period from October 1, 2022, to September 30, 2023, the rate of dumping margin*** of the product is calculated to be 37.70%.

**Note: Article 8.1, Customs Tariff Law

***Note: Rate of dumping margin (%) = ((Normal Value - Export Price)/Export Price) × 100

2. Material injury, etc. to the domestic industry

a. The import volume of the product subject to the investigation increased during the period from January 2018 to September 2023; from 11,400 tons to 13,000 tons, and its market share in Japan also increased. Consequently, the sales volume of domestic products decreased.

In addition, the sales price of the product subject to the investigation in Japan has been significantly lower than that of the domestic products consistently since 2019. Consequently, the price of the domestic products decreased, and the domestic producers were not able to raise their sales prices to reflect the increase in raw material costs. Accordingly, material injury to the domestic industry has occurred, including a decrease in business profits.

b. Even if material injury is not considered to have occurred yet, it is likely that, without a trade remedy measure taken against graphite electrodes originating in China, dumped imports will further increase to cause material injury for the following reasons:

(i) The demand for graphite electrodes in China is weakening while the production capacity is expanding, and it is likely that the imports from China will increase in Japan, where the growth in demand for graphite electrodes is certain.

(ii) The price of graphite electrodes from China has been declining in the Japanese market and if it continues, it is anticipated that the domestic producers will be forced to lower their prices.

3. Therefore, the applicants request the imposition of an anti-dumping duty on graphite electrodes originating in China.