



Australian Government  
Department of Industry,  
Science and Resources

Anti-Dumping  
Commission

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## **Consideration report number: 699**

Application for a dumping duty notice

Submitted by: Tronox Limited

In relation to titanium dioxide exported to Australia from  
the People's Republic of China

30 April 2026

*Customs Act 1901 Part XVB*

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## ABBREVIATIONS

Abbreviations/short form	Full reference
ABF	Australian Border Force
ABS	Australian Bureau of Statistics
the Act	<i>Customs Act 1901</i> (Cth)
ADN	Anti-Dumping Notice
the applicant	Tronox Limited
CCP	Chinese Communist Party
China	the People's Republic of China
the commission	Anti-Dumping Commission
the Commissioner	Commissioner of the Anti-Dumping Commission
CTMS	cost to make and sell
CY	Calendar year, being the year ending 31 December
FOB	free on board
GOC	Government of China
the goods, TiO <sub>2</sub>	the goods the subject of the application, being titanium dioxide
LB Group	LB Group Co., Ltd
the Minister	the Minister for Industry and Innovation and Minister for Science
PMS	particular market situation
SG&A	selling, general and administrative
TZMI	TZ Minerals International Pty Ltd
Tronox	Tronox Limited

# 1. FINDINGS AND RECOMMENDATIONS

This report provides the result of the consideration by the Anti-Dumping Commission (the commission) of an application under section 269TB(1)<sup>1</sup> of the *Customs Act 1901* (the Act) by Tronox Limited (Tronox) for the publication of a dumping duty notice in respect of titanium dioxide that has been imported into Australia from the People's Republic of China (China).

Tronox alleges that the Australian industry for titanium dioxide has suffered material injury caused by titanium dioxide exported to Australia from China at dumped prices.

The legislative framework that underpins the making of an application and the commission's consideration of an application is contained in Divisions 1 and 2 of Part XVB of the Act.

## 1.1. Findings

In accordance with section 269TC(1), the commission has examined the application and is satisfied that:

- the application complies with the requirements of section 269TB(4) (as set out in section 2.2 of this report)
- there is an Australian industry in respect of like goods (as set out in section 2.4 of this report)
- there appear to be reasonable grounds for the publication of a dumping duty notice in respect of the goods the subject of the application (as set out in chapters 3, 4 and 5 of this report).

## 1.2. Recommendations

Based on the above findings, the Commissioner of the Anti-Dumping Commission (Commissioner) decides not to reject the application and to initiate an investigation to determine whether a dumping notice should be published.

The Commissioner further decides that:

- exports to Australia during the investigation period of 1 January 2025 to 31 December 2025 be examined for dumping and
- details of the Australian market from 1 January 2022 to 31 December 2025 be examined for injury analysis purposes.

The Commissioner must give public notice of the decision (**Non-Confidential Attachment 1**) in accordance with the requirements set out in section 269TC(4).

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<sup>1</sup> All legislative references in this report are to the *Customs Act 1901* (Cth) unless otherwise specified.

## 2. THE APPLICATION AND THE AUSTRALIAN INDUSTRY

The commission finds that the application satisfies the lodgement requirements and complies with the form and content requirements set out in the Act.

### 2.1. Lodgement of the application

The legislative requirements for lodging an application are set out in section 269TB.

The procedures and timeframes for the Commissioner's consideration of the application are set out in section 269TC.

Table 1 summarises the timeline in relation to the assessment of the application.

Event	Date	Details
Application lodged & received by the Commissioner under sections 269TB(1) and (5)	30 January 2026	The commission received an application from Tronox, which alleges that the Australian industry has suffered material injury caused by titanium dioxide that has been imported into Australia from China at dumped prices.
	3 February 2026	The commission notified the applicant that the application contained critical and important deficiencies which if left unaddressed, create doubt on the reasonableness of the grounds for the publication of a dumping duty notice.
Applicant provided further information in support of the application under section 269TC(2A)	27 February 2026	The applicant provided further information and data in support of the application without having been requested to do so, as provided for in section 269TC(2A). The application was taken to have been lodged and received on 27 February 2026 when the final additional information was received. Accordingly, the 20-day period for consideration of the application was restarted.
Consideration decision due under section 269TC(1)	19 March 2026	The Commissioner shall decide whether to reject or not reject the application within 20 days after the applicant provided further information.

**Table 1: The Commissioner's timeframe for considering an application**

### 2.2. Compliance with section 269TB(4)

#### 2.2.1. Finding

Based on the information submitted by the applicant, the commission considers that the application complies with section 269TB(4).

#### 2.2.2. Legislative framework

Section 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that the application complies with section 269TB(4).

#### 2.2.3. The commission's assessment

The table below summarises the commission's assessment of compliance with section 269TB(4).

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Requirement for the application	Details
Lodged in writing under section 269TB(4)(a)	The applicant lodged in writing confidential and non-confidential versions of the application. The non-confidential version of the application can be found on the electronic public record on the commission's website at <a href="http://www.adcommission.gov.au">www.adcommission.gov.au</a> .
Lodged in an approved form under section 269TB(4)(b)	The application is in the approved form (B108) for the purpose of making an application under section 269TB(1).
Contains such information as the form requires under section 269TB(4)(c)	The applicant provided: <ul style="list-style-type: none"> <li>• a completed declaration</li> <li>• answers to all questions that were required to be answered by the applicant</li> <li>• completed all appendices and</li> <li>• sufficient detail in the non-confidential version of the application to enable a reasonable understanding of the substance of the information submitted in confidence.</li> </ul>
Signed in the manner indicated in the form under section 269TB(4)(d)	The application was signed in the manner indicated in Form B108 by a representative of the applicant.
Supported by a sufficient part of the Australian industry under section 269TB(4)(e) and determined in accordance with section 269TB(6)	As set out below in section 2.4 of this report, the commission is satisfied that there is an industry producing like goods in Australia. Based on Tronox's application, it is the sole member of the Australian titanium dioxide industry. The commission has reviewed the information provided and the commission is satisfied that the application complies with sections 269TB(6)(a) and (b) of the Act.
Lodged in the manner approved under section 269SMS for the purposes section 269TB(4)(f)	The application was lodged in a manner approved in the Commissioner's instrument made under section 269SMS, being by email to an address nominated in that instrument. <sup>2</sup> The application was therefore lodged in a manner approved under section 269SMS(2).

**Table 2: The commission's compliance assessment of the application**

## 2.3. The goods the subject of the application

### 2.3.1. The goods

Table 3 sets out the goods as described in the application.

Full description of the goods, as subject of the application
Titanium dioxide, having the chemical formula TiO <sub>2</sub> , in rutile form only, as titanium oxides or in pigments and preparations based on titanium dioxide, containing a minimum of 80% by weight of titanium dioxide calculated on the dry matter, having all types of particle sizes.

<sup>2</sup> As approved by the Commissioner's [Instrument](#) under section 269SMS of the Act, 23 November 2018.

<b>Further information</b>
<p>Product falling within the scope of this description <u>includes</u>:</p> <ul style="list-style-type: none"> <li>• TiO<sub>2</sub> pigments, typically produced via the sulphate or chloride process. This encompasses rutile crystalline form only.</li> <li>• Surface-treated or coated TiO<sub>2</sub> with inorganic (e.g., alumina, silica, zirconia) or organic surface treatments, provided the TiO<sub>2</sub> content remains at least 80% by weight.</li> <li>• Titanium dioxide in other pigment forms including slurries, pastes, or granules where TiO<sub>2</sub> is the principal constituent (≥80% on dry basis).</li> </ul>

**Table 3: The goods description**

### 2.3.2. Tariff classification

The goods are generally, but not exclusively, classified to the following tariff classifications in Schedule 3 of the *Customs Tariff Act 1995*.

<b>Tariff classification</b>				
<b>Tariff code</b>	<b>Statistical code</b>	<b>Unit</b>	<b>Description</b>	<b>Duty rate</b>
3206	Other colouring matter; preparations as specified in note 3 to this chapter, other than those of 3203.00.00, 3204 or 3205.00.00; inorganic products of a kind used as luminophores, whether or not chemically defined			
3206.11.00	48	kg	Pigments and preparations based on titanium dioxide containing 80% or more by weight of titanium dioxide calculated on the dry matter	5%

**Table 4: General tariff classification for the goods**

These tariff classifications and statistical codes may include goods that are both subject and not subject to this investigation. The listing of these tariff classifications and statistical codes is for convenience or reference only and do not form part of the goods the subject of the application. Please refer to the goods description in 2.3.1 for authoritative detail regarding the goods the subject of the application.

Tronox stated that importers may also have entered the goods under tariff classification 2823.00.00 (statistical code 39), which applies to titanium oxides.<sup>3</sup>

## 2.4. Like goods and the Australian industry

### 2.4.1. Finding

The commission is satisfied that there is an Australian industry producing like goods to the goods the subject of the application on the basis that:

- Tronox produces goods that have characteristics that closely resemble the goods the subject of the application and
- the goods are wholly manufactured in Australia.

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<sup>3</sup> *Titanium oxide* refers to any chemical compound composed of titanium and oxygen, including titanium monoxide, titanium trioxide, and titanium dioxide. *Titanium dioxide* is a specific chemical compound consisting of one titanium atom and two oxygen atoms.

**2.4.2. Legislative framework**

Section 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that there is, or is likely to be established, an Australian industry in respect of like goods.

Like goods are defined under section 269T(1). Sections 269T(2), 269T(3), 269T(4), and 269T(4A) are used to determine whether the like goods are produced in Australia and whether there is an Australian industry in respect of like goods.

**2.4.3. Locally produced like goods**

Table 5 summarises the commission’s assessment of whether the locally produced goods are identical to, or closely resemble, the goods the subject of the application and are therefore like goods.

<b>Factor</b>	<b>The applicant’s claims</b>	<b>The commission’s assessment</b>
Physical likeness	The primary physical characteristics of the imported goods and locally produced goods are similar in nature, with minor variations in certain characteristics.	Both the imported goods and goods manufactured by Tronox appear to have similar physical characteristics in terms of size, shape, content, weight, appearance, grade, standard, purity, and chemical composition.
Commercial likeness	The goods and locally produced goods are commercially alike as they are sold to common users, and directly compete in the market for coatings, plastics, paper, and inks.	Both the imported goods and the goods manufactured by Tronox appear to be commercially alike. The commission notes it appears that various importers of the goods from China are also customers of Tronox, and therefore there is direct competition between the Chinese imports and Tronox’s products.
Functional likeness	Imported and Australian produced goods are used interchangeably in the same or comparable end-uses.	Both the imported goods and those manufactured by Tronox appear functionally substitutable and are sold to the same sectors and customer bases for the same end use applications.
Production likeness	The goods produced in Australia are manufactured in a similar manner and via similar production processes to the imported goods	As far as the commission is aware, the imported goods and the goods manufactured by Tronox would have similar production processes and are likely both manufactured using either a chloride or sulphate production process.
<b>Commission’s assessment</b>		
Based on the analysis above, the commission considers that the locally produced goods have characteristics that are identical to or closely resemble goods the subject of the application and are, therefore, like goods. The commission will further examine like goods during the investigation.		

**Table 5: Like goods assessment**

**2.4.4. Manufacture in Australia**

Table 6 summarises the commission’s assessment of whether at least one substantial process of manufacture is carried out in Australia and whether the like goods are therefore considered to have been manufactured in Australia.

<b>The Applicant's claims</b>
<p>Tronox claims that it manufactures titanium dioxide, that is alike to the subject goods imported from China, across two manufacturing facilities in Australia. The finished product manufactured by Tronox is rutile titanium dioxide pigment as described in the application.</p> <p>Tronox stated that it utilises a vertically integrated titanium dioxide pigment production system starting from the mining of heavy mineral sands, and effectively producing the rutile titanium dioxide pigment finished product. This finished product is then packaged and moved to silos for storage.</p> <p>A full description of the titanium dioxide production process is contained in pages 15 to 17 of the application.<sup>4</sup></p>
<b>The commission's assessment</b>
<p>Based on Tronox's description of its integrated manufacturing process, the commission considers that the goods are wholly manufactured in Australia. Alternatively, since at least one substantial process in the manufacture of the goods is carried out in Australia, the commission considers that the goods are at least partly manufactured in Australia. The commission will verify the manufacturing process of the like goods during the investigation.</p>

**Table 6: Manufacturing in Australia**

## 2.5. Australian industry information

The table below summarises the commission's assessment of whether Tronox has provided sufficient information in the application to analyse the performance of the Australian industry.

<b>Have the relevant appendices to the application been completed?</b>		
A1	Australian production	Yes
A2	Australian market	Yes
A3	Sales turnover	Yes
A4	Domestic sales	Yes
A5	Sales of other production	Yes
A6.1	Cost to make and sell (& profit) – Domestic sales	Yes
A6.2	Cost to make and sell (& profit) – Export sales	Yes
A7	Other injury factors	Yes
<b>General administration and accounting information</b>		
History	Tronox has been in operation since 1988, whereby a joint venture partnership was the foundation of Tronox's Australian operations.	
Ownership	Tronox is the parent company of Tronox Management Pty Ltd and Tronox Pigment Bunbury Ltd (amongst other entities), with each manufacturing the goods the subject of the application.	
Operations	<p>The two entities under Tronox manufacture and sell the goods, as well as:</p> <ul style="list-style-type: none"> <li>• mineral sands</li> <li>• ultra fine and specialty titanium dioxide</li> <li>• titanium chemicals</li> <li>• various by-products obtained from the production of titanium dioxide</li> </ul>	
Financial year	Tronox's annual accounting period is 1 January to 31 December.	

<sup>4</sup> The application is available on the commission's [electronic public record](#) for case 699.

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Audited accounts	Tronox has provided its audited annual reports for the years ending 31 December 2022, 2023, and 2024.	
Annual reports	As stated above, Tronox has provided its audited annual reports for the years 2022, 2023, and 2024. Tronox provided management reports to detail the income statement and balance sheet data for the year ending 31 December 2025.	
<b>Production and sales information</b>	<b>Cost to make and sell information</b>	<b>Other injury factors</b>
The commission considers that there are no material concerns, subject to the commission’s usual verification practices.	The commission considers that there are no material concerns, subject to the commission’s usual verification practices.	The commission considers that there are no material concerns, subject to the commission’s usual verification practices.
<b>The commission’s assessment</b>		
Based on the information in the application, the commission is satisfied that there is sufficient data on which to analyse the performance of the Australian industry between 1 January 2022 and 31 December 2025. Consistent with the commission’s usual practice, the investigation will examine the four most recently completed financial quarters (i.e. the 12 months ending 31 December 2025) for dumping, and the four years commencing 1 January 2022 for the assessment of the economic condition of the Australian industry.		

**Table 7: Application completeness assessment**

**2.5.1. The Australian market**

Titanium dioxide is an essential product for the supply chain in relation to the following market sectors in Australia:

- paints and coatings
- plastics and rubber
- paper and inks
- cosmetics and personal care, and
- foods and pharmaceuticals.

Tronox states that the Australian market for titanium dioxide is expected to expand over the following decade, primarily driven by demand from construction and industrial sectors.

Titanium dioxide is produced from mining minerals including ilmenite and rutile. These minerals are also used to produce titanium metal, which is listed as a critical mineral on *Australia’s Critical Minerals List*. These minerals are essential to Australia’s modern technologies, economies and national security, as set out in the *Critical Minerals Strategy*.<sup>5</sup> Titanium is strategically important for defence, aerospace and advanced manufacturing applications.

In mining ilmenite and rutile, rare earth minerals consisting of monazite and xenotime are generated, which are effectively by-products in the production of titanium dioxide.

**2.5.2. Market size**

As Tronox claims that it is the sole manufacturer of the goods in Australia, it has used its sales data of the goods to determine the sales for the Australian industry. Tronox has relied upon published Australian Bureau of Statistics (ABS) import

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<sup>5</sup> *Australia’s Critical Mineral List* and *Critical Minerals Strategy* can be found on the Department of Industry, Science and Resources [website](#).

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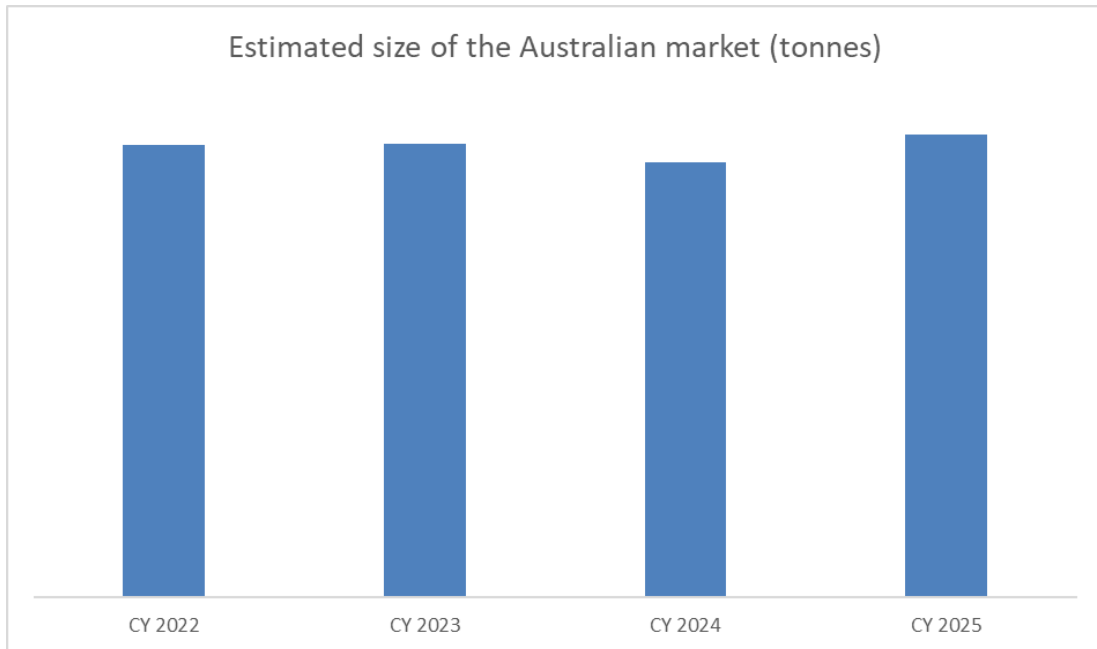
statistical data to estimate the import volume in the Australian market. Tronox therefore used its own sales data and the data from the ABS to estimate the size of the Australian market.

To test reliability of the applicant's estimate, the commission reconciled the application data sourced from the ABS, with the Australian Border Force (ABF) import database, to a reasonable extent, observing consistencies between the two sources. As previously mentioned, Tronox stated that importers may also have entered the goods under tariff classification 2823.00.00 (statistical code 39), which applies to titanium oxides. Accordingly, the commission used tariff classifications 3206.11.00 (statistical code 48) and 2823.00.00 (statistical code 39) to estimate imports of the goods from the ABF import database.<sup>6</sup> The commission identified a potential small volume of the goods entered under tariff classification 2823.00.00 (statistical code 39).

While the reconciliation between the ABS import data and the ABF import data supports the reliability of Tronox's data, the commission notes that the ABF import database contains product descriptions that are relatively ambiguous. Therefore, whilst the commission made every effort to estimate the imports of the goods using the ABF import data, the commission was unable to reliably distinguish between the goods and non-goods. The commission notes that the use of ABF import data may not lead to a proper representation of the Australian market.

Given these considerations and being satisfied with the reasonableness of Tronox's estimates, the commission has relied on the data provided with the application to estimate the market size. The commission will reassess the market size during the investigation, using verified data obtained from interested parties. This may result in volumes that differ from the information presented in this report.

The commission's estimate size of the Australian market is illustrated in Figure 1.



**Figure 1: Estimated size of the Australian market for titanium dioxide**

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<sup>6</sup> In doing so, the commission found that imports of the goods under tariff classification 2823.00.00 (statistical code 39) represented an immaterial proportion of imports compared to imports of the goods under tariff classification 3206.11.00 (statistical code 48).

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Based on Figure 1, the commission notes that the size of the market remained stable from CY 2022 to CY 2023.<sup>7</sup> The market then decreased slightly the next year. The market increased in CY 2025, whereby this period represents the highest market size when comparing all four periods.

The commission's assessment of the Australian market size for titanium dioxide is contained in **Confidential Attachment 1**.

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<sup>7</sup> "CY" is an abbreviation for "calendar year", being the year ending 31 December.

### 3. Reasonable grounds – dumping

#### 3.1. Findings

Pursuant to section 269TC(1)(c), the Commissioner considers that there appear to be reasonable grounds to support the claims that:

- the goods have been exported to Australia from China at dumped prices
- the estimated dumping margin for exports from China is greater than 2% and therefore is not negligible and
- the estimated volume of goods from China that appear to have been dumped is greater than 3% of the total Australian import volume of goods and therefore is not negligible.

The commission’s volume analysis and dumping analysis is at **Confidential Attachment 1**.

#### 3.2. Legislative framework

Section 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that there appear to be reasonable grounds for the publication of a dumping duty notice.

Under section 269TG, one of the matters that the Minister for Industry and Innovation and Minister for Science (the Minister) must be satisfied of in order to publish a dumping duty notice is that the export price of goods that have been exported to Australia is less than the normal value of those goods, i.e. that dumping has taken place (to an extent that is not negligible). This issue is considered in the following sections.

#### 3.3. Export price

##### 3.3.1. Legislative framework

Export price is determined by applying the requirements in section 269TAB, taking into account whether the purchase or sale of goods was an arms length transaction under section 269TAA.

##### 3.3.2. The Applicant's estimate

The table below summarises the approach taken by the applicant to estimate export prices and the evidence relied upon.

Country	Basis of estimate	Details
China	Tronox calculated export price based on import data sourced from the ABS.	Tronox has calculated a weighted average export price in United States Dollars per tonne at free on board (FOB) terms.

**Table 8: Tronox’s estimate of export prices from China**

##### 3.3.3. The commission's assessment

The commission examined the export price calculations and supporting evidence provided by Tronox. The commission considers that Tronox’s approach to estimating export prices is reasonable given the limitations of the information available to it. The commission considers that the evidence provided is sufficient for the purposes of reaching the satisfaction described in section 269TC(1) and the assumptions and methodology used is appropriate for the evidence available.

As detailed in Table 8, Tronox used import data sourced from the ABS to calculate a weighted average unit FOB export price for CY 2025.

To test the reliability of Tronox's estimated export price for China, the commission has compared the export prices for China in the application to its own assessment of data obtained from the ABF import database. The commission used the reported export prices under the relevant tariff classifications related to the subject goods. The commission calculated the export price on a whole-of-country level and found that the export prices for the goods based on ABF import data were similar to the estimated export prices provided by Tronox. Given the considerations outlined in section 2.5.2 regarding the ambiguity of the product descriptions in the ABF import data, the commission has relied on Tronox's export data to assess export price.

Tronox's calculation of export price and the commission's comparison of export price is contained in **Confidential Attachment 1**.

### **3.4. Normal value**

#### **3.4.1. Legislative framework**

Normal value is determined by applying the requirements in section 269TAC, taking into account whether:

- the purchase or sale of the goods was an arms length transaction under section 269TAA
- the goods were sold in the ordinary course of trade under section 269TAAD;
- there has been an absence or low volume of sales of like goods in the country of export, and
- whether the situation in the market of the country of export is such that sales in that country are not suitable for determining normal value under section 269TAC(1).

#### **3.4.2. The Applicant's estimate**

The table below summarises the approach taken by the applicant to estimate normal values and the evidence relied upon.

Country	Basis of estimate	Details
China	<p>Tronox claims that due to the influence of the Government of China (GOC) on the prices of key cost inputs for titanium dioxide (namely titanium bearing ores, energy, and sulfuric acid), a particular market situation (PMS) exists for like goods sold on the domestic market in China.</p> <p>On this basis, Tronox has relied on constructed selling prices for normal value purposes.</p> <p>The normal value has been constructed under section 269TAC(2)(c).</p>	<p>Tronox constructed the normal value of the goods by calculating an amount representing cost to make and sell (CTMS), and adding an amount for profit.</p> <p><u>CTMS</u></p> <p>In order to estimate Chinese production costs, Tronox relied on information prepared by TZ Minerals International Pty Ltd (TZMI)<sup>8</sup>. Tronox obtained production cost data relating to LB Group Co., Ltd (LB Group)<sup>9</sup> from TZMI. Tronox used production costs from LB Group as Tronox understands LB Group holds the largest production capacity of titanium dioxide among Chinese manufacturers. In using these production costs, Tronox applied an uplift to the raw material feedstock cost, on the basis that the feedstock cost does not reflect competitive market costs in China (as per Tronox's claims). Tronox applied this uplift based on the difference in the cost of imported ores as compared to ores sourced locally. Tronox obtained this information from LB Group's 2023 annual report.</p> <p>Tronox estimated selling, general and administrative (SG&amp;A) costs by using data from LB Group's income statement sourced from LB Group's 2023 annual report. Tronox calculated SG&amp;A using the SG&amp;A costs from the income statement, as a percentage of the uplifted production cost data.</p> <p><u>Profit</u></p> <p>Tronox estimated an amount for profit by using data from LB Group's income statement sourced from LB Group's 2023 annual report. Tronox calculated profit using the operating profit from the income statement, as a percentage of the uplifted production cost data.</p>

**Table 9: Tronox's estimate of normal value**

**3.4.3. The commission's assessment**

The Commissioner must determine whether there appear to be reasonable grounds for supporting a claim that the goods have been exported at dumped prices. The Commissioner is therefore required to assess whether the estimated normal values provided in the application appear to be reasonable. Based on the information available, the Commissioner considers that the inputs used in the constructed normal value calculations by Tronox are reasonable.

Tronox obtained its estimates of cost of production by using estimated cost data from a significant titanium dioxide manufacture in China, being LB Group. On the basis of Tronox's claims of non-competitive market costs of titanium dioxide inputs existing in China, the commission considers it unlikely that LB Group's production costs would reflect market competitive costs, at least for the raw material feedstock cost. The

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<sup>8</sup> TZMI is a global independent consulting and publishing company which specialises in all aspects of the mineral sands, titanium dioxide, and coatings industries.

<sup>9</sup> LB Group is a large-scale manufacturer of titanium dioxide pigments, specialising in the production of chloride and sulfate products.

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commission therefore considers it reasonable for Tronox to uplift the feedstock cost in order to obtain a market competitive estimate of production costs.

The estimates for SG&A costs and profit, obtained from LB Group's financials, also appear reasonable.

### Particular market situation claims

Tronox claims that the Chinese titanium dioxide sector is affected by significant distortions in prices and costs, including the costs of raw materials and energy, because of the impact of substantial government intervention on normal market forces.

Tronox explains that the GOC and the Chinese Communist Party (CCP) guides decision-making in both the public and private sector within China. Tronox claims that there is substantial government intervention at many levels of the economy, including specific distortions in many key factors of production (e.g. land, energy, capital, raw materials, and labour) as well as in specific economic sectors, like the chemical sector.

Tronox further explained that the CCP's presence and non-market influence interferes with the setting of prices and costs of all factors of production both directly and indirectly. Tronox pointed to the findings of the European Commission to support these claims, where Tronox states that the European Commission found that the CCP exercises pressure on private companies and has a final say with respect to the business decisions of the companies. Tronox then detailed various CCP members, and their involvement in the management of numerous entities linked to the titanium dioxide sector in China.

Tronox claims that the main Chinese titanium dioxide manufacturers operate under the ownership, control, and/or policy supervision of the GOC and the CCP. Tronox explains that this provides significant evidence that enterprises cannot be considered to make sales in accordance with commercial considerations. Tronox further detailed various titanium dioxide manufacturers, and described the ownership and influence of the Chinese government with respect to these manufacturers.

Tronox explained that China's economic five-year plans indicate past, present, and future distortions in the titanium dioxide sector. Tronox detailed specific priorities related to titanium dioxide production as outlined in various plans, and explained the plans that the GOC has to support the titanium dioxide industry.

Tronox claims that the GOC implements public policies and measures favouring domestic suppliers or otherwise influences free market forces. Tronox states that this causes distortions in the titanium dioxide sector.

Tronox explains that China applies bankruptcy, corporate, and property laws in a manner which causes inadequate enforcement in these areas, within all economic sectors, including the titanium dioxide sector. Tronox states that there is no evidence readily available showing that the titanium dioxide sector is shielded from this inadequate enforcement.

Tronox claims that titanium dioxide producers in China receive grants from the GOC. Tronox explains that these grants provide significant and material benefits to Chinese titanium dioxide producers and distorts the prices and costs of the subject goods. Tronox provided examples of subsidies provided to numerous Chinese producers of titanium dioxide. Tronox further explained that manufacturers of titanium dioxide that are located in development zones receive additional government grants.

Tronox explains that titanium dioxide manufacturers also receive benefits from the government in the form of subsidised interest expenses on loans. Tronox claims that state-owned banks provide loans to manufacturing companies, regardless of risk.

Tronox claims that there are distortions in costs with respect to energy, whereby Tronox states that energy represents approximately 14% of the cost of production of titanium dioxide. Tronox pointed to a finding from the United Kingdom's trade remedies investigating authority, where Tronox states that the United Kingdom concluded that energy is subject to price-setting or guided by local governments.

Tronox states that there are distortions in the cost of titanium-bearing ores, which constitute approximately 44% of the cost of production. Tronox states that key distortions related to titanium-bearing ores involve:

- cross-subsidisation from state-supported iron ore mining
- ilmenite prices in China being significantly below global levels
- the existence of a VAT refund withdrawal for ilmenite exports
- captive mining practices leading to non-market allocations
- domestic market obligations restricting exports, and
- a highly concentrated market dominated by state-linked producers.

Tronox further claims cost distortions for sulfuric acid. Tronox explained that sulfuric acid represents approximately 13% of the cost of production.

Tronox explains that Chinese manufacturers benefit from low waste disposal costs, and compared Chinese waste disposal costs to costs outside China. Tronox notes that the GOC significantly distorts the costs for waste disposal.

Tronox claims that the distortions in the Chinese market have led to excess capacity, including in the titanium dioxide sector. Tronox claims that this causes domestic prices to stay artificially low. Tronox further explained that Chinese producers have issued price increase announcements targeting only overseas markets, showing differences in domestic and export strategies.

In consideration of the above, Tronox argues that Chinese domestic prices of titanium dioxide are heavily distorted by government intervention, subsidies, non-market cost structures and excess capacity. Tronox argues that the distortions demonstrate that the domestic sales of Chinese titanium dioxide manufacturers do not permit a proper comparison of the domestic and export prices of the goods.

Based on information currently available, the Commissioner considers it reasonable to accept Tronox's claim that a PMS exists in the titanium dioxide market in China. The commission will seek further information from exporters and the GOC to assess Tronox's claim of a PMS independently and thoroughly during the investigation.

### **3.5. Dumping margins**

#### **3.5.1. Legislative framework**

Dumping margins are determined in accordance with the requirements of section 269TACB.

Dumping margins and dumping volumes cannot be negligible, otherwise the investigation is terminated. Whether the dumping margins and dumping volumes are negligible is assessed under section 269TDA.

#### **3.5.2. The commission's assessment**

Tronox provided an estimated dumping margin of 48% for CY 2025. The dumping margin calculation is based on the export prices and normal values outlined in sections 3.3 and 3.4 of this report.

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In its application, Tronox also calculated a dumping margin using an estimate of the normal value without an uplift to the raw material feedstock cost that Tronox claims is necessary to account for the distortions caused by the PMS in China. The dumping margin without the raw material uplift to the normal value is 31%.

The commission finds that there appear to be reasonable grounds to support Tronox's claims that dumping has occurred, and the dumping margin is not negligible under section 269TDA(1)(b)(ii).

The commission's assessment of dumping forms **Confidential Attachment 1**.

## **4. Reasonable grounds – injury to the Australian industry**

### **4.1. Findings**

Pursuant to section 269TC(1)(c), having regard to the matters contained in the application, and to other information considered relevant, the commission considers that there appear to be reasonable grounds to support the claims that the Australian industry has experienced injury in the form of:

- loss of sales volume
- reduced market share
- price depression
- price suppression
- loss of profits
- reduced profitability
- reduced revenue and
- increased finished goods inventory

### **4.2. Legislative framework**

Under section 269TG of the Act, one of the matters that the Minister must be satisfied of in order to publish a dumping duty notice is that the Australian industry has experienced material injury. This issue is considered in the following sections.

### **4.3. The Applicant's claims**

Tronox claims that the Australian industry has been injured through:

- loss of sales volume
- reduced market share
- price suppression
- loss of profits
- reduced revenue
- reduced profitability and
- increased finished goods inventory.

In its application, Tronox claims that injury commenced in 2022.

### **4.4. Approach to injury analysis**

#### **4.4.1. Legislative framework**

The matters that may be considered in determining whether the industry has suffered material injury are set out in section 269TAE.

#### **4.4.2. The commission's approach**

This section analyses the economic condition of the Australian industry and provides an assessment as to whether there appear to be reasonable grounds to support a claim that the Australian industry has suffered material injury. In its analysis of the volume effects and market share, the commission has used data provided by Tronox in its application in respect of Australian industry sales and volume of imports.

The commission notes that Tronox exports a significant volume of titanium dioxide and also imports titanium dioxide, including from China. For the purposes of assessing injury factors, the commission has focused on Tronox's sales of self-produced titanium dioxide. The commission has separately identified Tronox's

imports in assessing the Australian market, to ensure injury caused by the applicant's own import behaviour is not attributed to dumping.

The commission's assessment of the economic condition of the Australian industry is found at **Confidential Attachment 1**.

#### 4.4.3. Injury analysis period

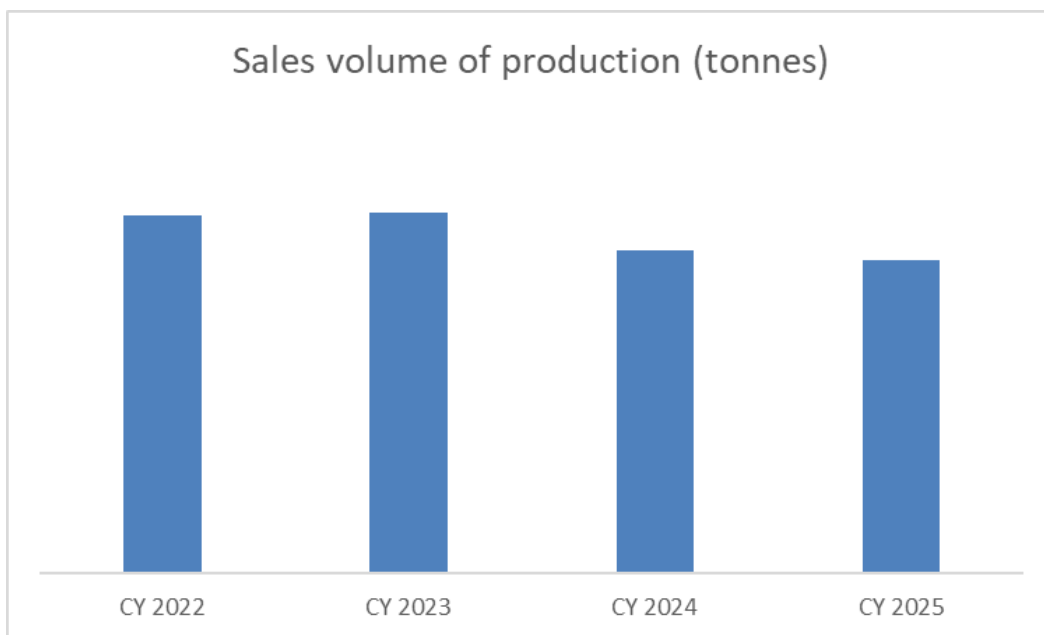
The injury analysis period is to enable the commission to identify and examine trends in the Australian market. This assists the commission in its examination of whether material injury has been caused by dumping. Details of the Australian market provided by Tronox, have been examined from 1 January 2022 to analyse injury for the purpose of considering Tronox's injury claims.

### 4.5. Volume effects

The Commissioner considers that there appear to be reasonable grounds to support the claim that the Australian industry has suffered injury in the form of lost sales volume and reduced market share.

#### 4.5.1. Sales volume

Figure 2 below captures Tronox's sales volumes to the Australian market for titanium dioxide manufactured by Tronox, over the injury analysis period.



**Figure 2: Tronox's sales volume of manufactured titanium dioxide**

The commission observes that sales volumes remained stable from CY 2022 to CY 2023, and then decreased year on year until CY 2025.

#### 4.5.2. Production volume

Figure 3 below outlines Tronox's production volumes<sup>10</sup> of titanium dioxide over the injury analysis period.

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<sup>10</sup> The commission notes that a significant proportion of Tronox's production is exported.

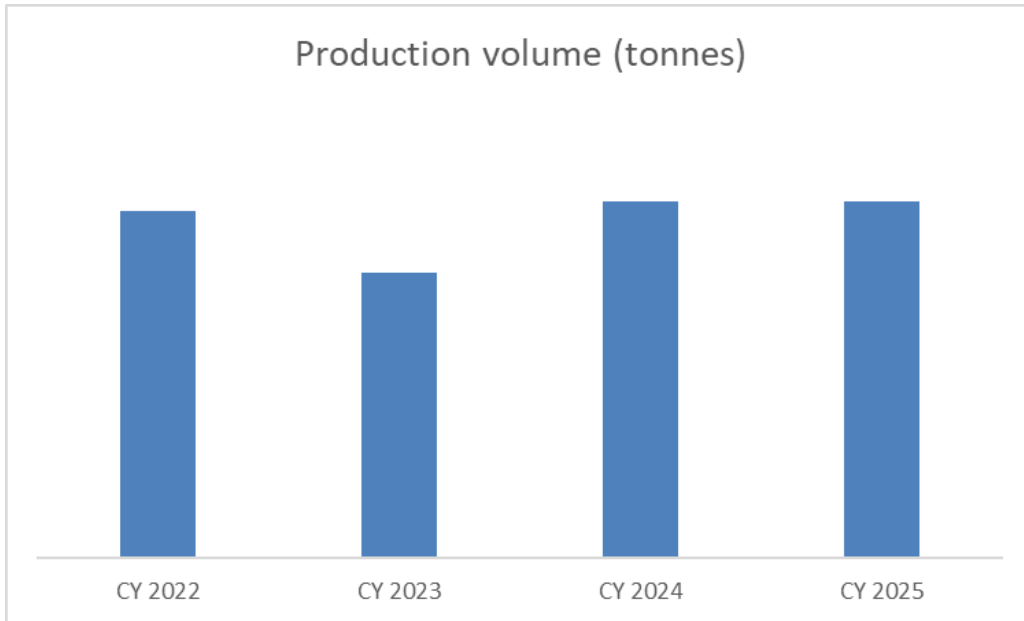


Figure 3: Tronox's production volume

The commission observes that production volumes experienced a sharp decline in CY 2023, and then significantly increased in CY 2024. The commission notes that production volume in CY 2025 was slightly higher than the volumes in both CY 2022 and CY 2024.

#### 4.5.3. Market share

Figure 4 below outlines the commission's assessment of market share, showing Tronox's sales of its own production, Tronox's sales of imports, as well as non-Tronox imports from China and other countries.

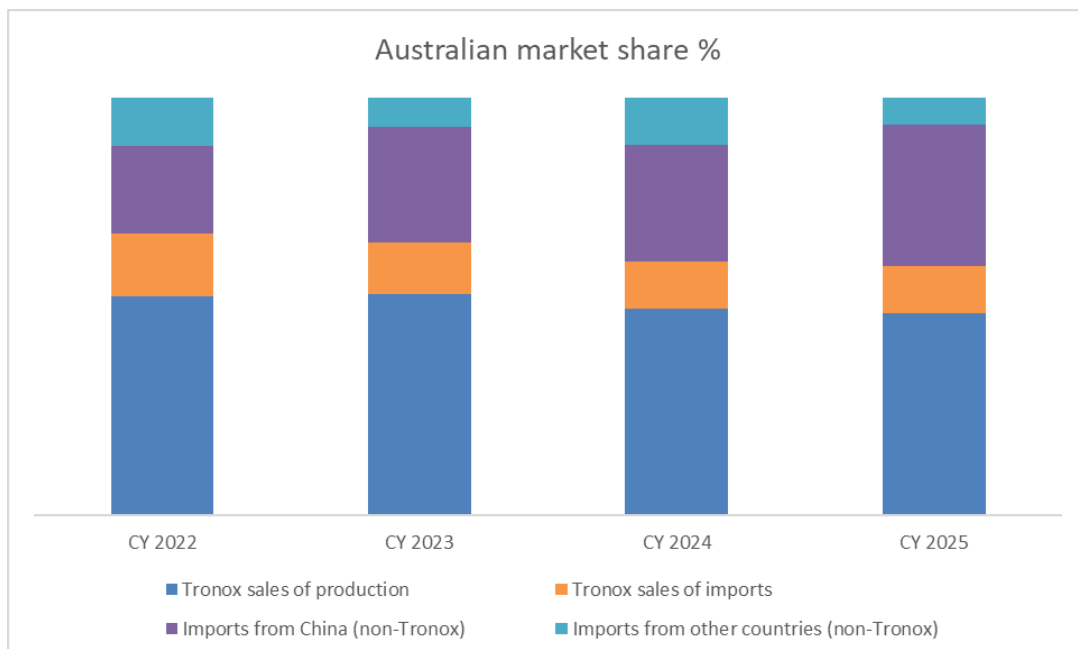


Figure 4: Estimated share of the Australian market

Table 10 shows the data from Figure 4 as indices, where the data is indexed to CY 2022.

Australian market share	CY 2022	CY 2023	CY 2024	CY 2025
Tronox sales of production	100	101	94	92
Tronox sales of imports	100	84	77	77
Imports from China (non-Tronox)	100	131	132	160
Imports from other countries (non-Tronox)	100	62	98	57

**Table 10 - Estimated share of the Australian market (CY 2022 = 100)**

The commission notes that Tronox’s market share with respect to sales of its own production decreased from CY 2023 to CY 2025. Tronox’s market share in relation to the sales of its imports decreased from CY 2022 to CY 2024, and remained stable in CY 2025. Non-Tronox imports from countries other than China increased from CY 2023 to CY 2024, and then decreased in CY 2025, whereby CY 2025 had a lowest market share over the injury analysis period. Non-Tronox imports from China increased from CY 2022 to CY 2025, where CY 2025 represented the highest volume of non-Tronox Chinese imports within the injury analysis period.

**4.5.4. Conclusion – volume effects**

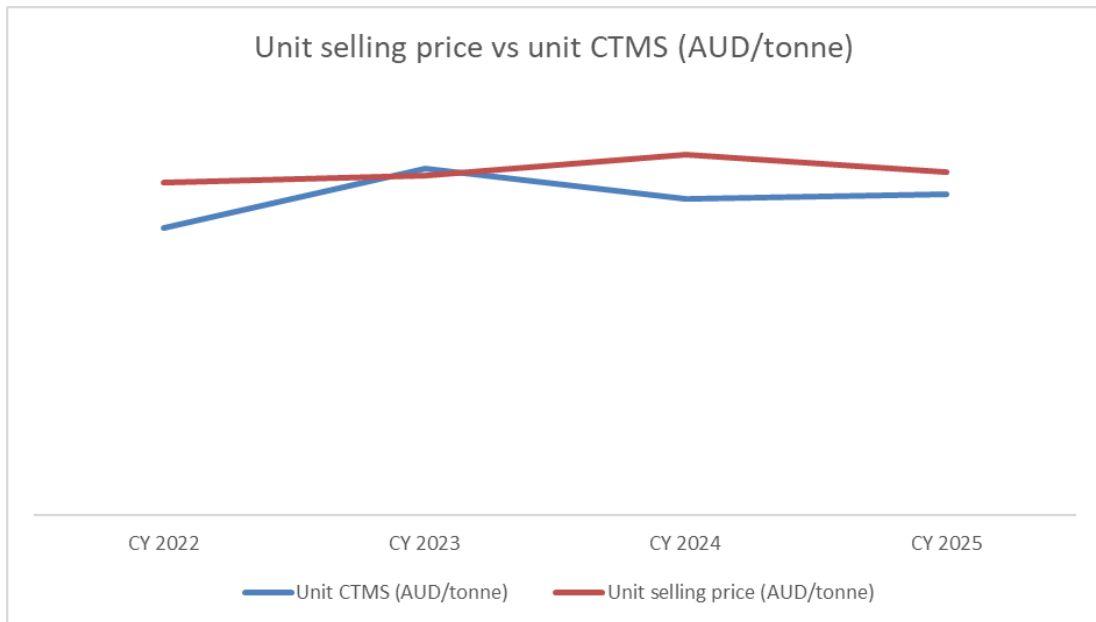
Based on the above analysis, the commission considers that there appear to be reasonable grounds to conclude that Tronox has suffered injury in the form of lost sales volume and reduced market share.

**4.6. Price effects**

Price depression occurs when a company, for some reason, lowers its prices. Price suppression occurs when price increases, which otherwise would have occurred, have been prevented. An indicator of price suppression may be the margin between prices and costs.

Tronox has not made a claim that it has experienced price depression. Tronox claims that it experienced price suppression due to price undercutting from Chinese imports.

Figure 5 below outlines Tronox’s domestic unit selling price against its domestic unit CTMS for titanium dioxide over the injury analysis period.



**Figure 5: Tronox’s domestic unit price and domestic unit CTMS**

The data provided by Tronox depicted in Figure 5 shows that Tronox’s selling prices increased consistently from CY 2022 to CY 2024, and then reduced in the following year. In CY 2023, Tronox’s unit CTMS was more than its selling price. From CY 2024 to CY 2025, Tronox’s unit CTMS increased, while its unit selling price decreased.

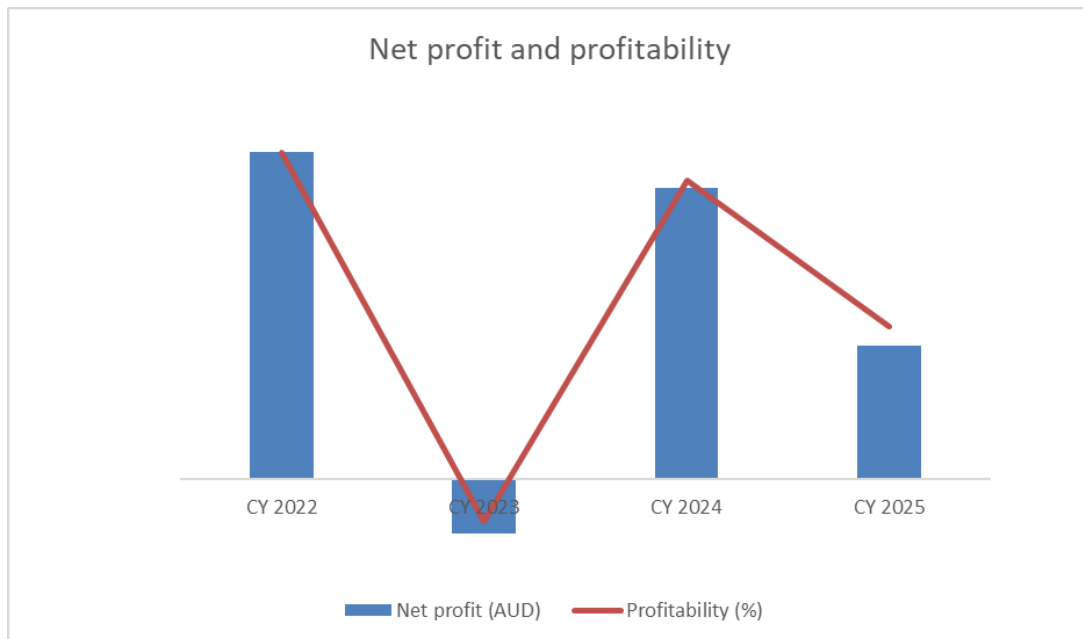
**4.6.1. Conclusion – price effects**

Based on the above analysis, the Commissioner considers that there appears to be reasonable grounds to conclude that Tronox has suffered injury in the form of price depression and price suppression.

**4.7. Profit and profitability effects**

Tronox claims that it experienced loss of profit and reduced profitability.

Figure 6 below outlines Tronox’s net profit and profitability for titanium dioxide.



**Figure 6: Tronox’s net profit and profitability**

The commission notes that Tronox’s profit and profitability significantly fell from CY 2022 to CY 2023, and then notably increased in the following year. Profit and profitability significantly decreased from CY 2024 to CY 2025. The commission notes that profit and profitability in CY 2025 was notably lower than CY 2022.

**4.7.1. Conclusion – profit and profitability effects**

Based on the above, the Commissioner considers that there appears to be reasonable grounds to conclude that Tronox has suffered injury in the form of loss of profits and reduced profitability.

**4.8. Other injury factors**

As part of its application, Tronox provided the commission with financial data to demonstrate other injury factors it has suffered over the injury analysis period.

Tronox claims that it suffered injury in the form of reduced revenue with respect to the sales of titanium dioxide, and increased finished goods inventory in the production of titanium dioxide. The table below shows the variations in these factors during the injury analysis period, indexed to CY 2022.

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	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>CY 2025</b>
Revenue	100	86	89	79
Finished goods inventory	100	80	95	110

**Table 11: Other injury factors (CY 2022 = 100)**

The commission notes that revenue fell from CY 2022 to CY 2023 and from CY 2024 to CY 2025, where CY 2025 represents the lowest year of revenue within the injury period. The commission further notes that finished goods inventory decreased from CY 2022 to CY 2023, and then increased year on year to CY 2025, whereby CY 2025 had the highest finished goods inventory in the injury period.

Analysis of other injury factors is at **Confidential Attachment 1**.

**4.8.1. Conclusion – other injury factors**

Based on the above, the Commissioner considers there are sufficient grounds to conclude that Tronox has experienced injury in the form of reduced revenue, and increased finished goods inventory.

**4.9. The commission’s assessment**

The Commissioner considers that there appear to be reasonable grounds to support the claim that the Australian industry has experienced injury in the form of:

- loss of sales volume
- reduced market share
- price depression
- price suppression
- loss of profits
- reduced profitability
- reduced revenue, and
- increased finished goods inventory

## 5. Reasonable grounds – causation factors

### 5.1. Findings

Having regard to the matters contained in the application, and to other information considered relevant, the commission considers that there appear to be reasonable grounds to support the claims that the Australian industry has suffered injury caused by dumping, and that the injury is material.

### 5.2. Cause of injury to the Australian industry

#### 5.2.1. Legislative framework

Under section 269TG of the Customs Act, one of the matters that the Minister must be satisfied of in order to publish a dumping duty notice is that the material injury suffered by the Australian industry was caused by dumping. This issue is considered in the following sections.

Matters that may be considered in determining whether the Australian industry has suffered material injury caused by dumped or subsidised goods are set out in section 269TAE.

### 5.3. The Applicant’s claims

Table 12 summarises the causation claims of the applicant.

Injury caused by dumping
<p><u>Volume and market share</u></p> <ul style="list-style-type: none"> <li>• Tronox claims it lost sales volumes and market share to Chinese exports during the injury analysis period.</li> <li>• Tronox explained that it has lost sales to customers who have sourced cheaper goods from China.</li> </ul> <p><u>Price effects</u></p> <ul style="list-style-type: none"> <li>• Tronox claims that it has experienced price undercutting from Chinese imports, of approximately 27% on average, since 2023.</li> <li>• Tronox explained that it had to significantly decrease its prices to retain sales volumes, and provided an example of a contract and email correspondence with a large customer to support this claim.</li> </ul> <p><u>Profit and profitability</u></p> <ul style="list-style-type: none"> <li>• Tronox claims that it experienced declines in profit and profitability in 2023 as a result of a fall in Chinese import prices and corresponding sharp increases in the margin of price undercutting from these imports, of 15% to 30%.</li> <li>• Tronox explained that in a market unaffected by the undercutting from dumped imports, it is reasonable to expect that Tronox would have boosted profits from maintained sales volumes and economies of scale.</li> </ul> <p><u>Other injury factors</u></p> <ul style="list-style-type: none"> <li>• Tronox claims that it experienced reduced revenue over the injury analysis period, due to dumped Chinese imports.</li> <li>• Tronox explained that it increased inventory levels significantly in 2025, which demonstrates an imbalance between supply and demand created by undercutting from dumped Chinese imports.</li> </ul>

<b>Injury caused by dumping</b>
<p><u>Materiality</u></p> <ul style="list-style-type: none"> <li>• Tronox claims that its loss of market share was significant from 2022 to 2025, with the Australian market indicating a shift to Chinese imports.</li> <li>• Tronox explained that its loss of market share is result of Tronox’s falling sales volumes.</li> <li>• Tronox stated that in a market unaffected by dumping from China since 2022, it would have generated additional revenue and profits, highlighting the displacement caused by dumped imports.</li> </ul>
<b>Injury caused by other factors</b>
Tronox does not consider that there are factors other than dumping that have had a material impact on the titanium dioxide market.

**Table 12: Tronox’s injury and causation claims**

## **5.4. The commission's assessment**

The Commissioner considers there are reasonable grounds for expecting that the Australian industry could have achieved greater sales volumes, and therefore would have been able to maintain market share, if not for the dumped goods.

The commission has examined the evidence provided by Tronox, including sales data, cost and profitability trends, and examples of contracts showing sales price adjustments. The commission notes that the injury experienced by the Australian industry includes:

- loss of sales volume
- reduced market share
- price depression
- price suppression
- loss of profits
- reduced profitability
- reduced revenue, and
- increased finished goods inventory

Further, the commission finds there are reasonable grounds that the Australian industry faces threat of material injury.

### **5.4.1. Dumping margin**

Under section 269TAE(1)(aa) the Minister may have regard to the size of the dumping margins worked out in respect of the goods exported to Australia. As set out in section 3.5, there appear to be reasonable grounds for concluding that titanium dioxide exported from China is dumped.

### **5.4.2. Volume effects**

As set out in section 4.5 of this report, the commission notes that the Australian industry’s sales volumes and market share has decreased year on year from CY 2023 to CY 2025. Imports from China increased from CY 2022 to CY 2025, whereby CY 2025 represented the highest volume of Chinese imports over the injury analysis period. This supports Tronox’s claims of a direct correlation between the ongoing presence and increase in volumes of the goods imported from China, and the decline in Tronox’s sales volume and market share for like goods.

The commission considers that this appears to provide reasonable grounds to establish that the Australian industry has experienced volume injury resulting from dumped goods exported from China.

#### **5.4.3. Price effects**

The commission finds that during the injury analysis period, Tronox's prices increased from CY 2022 to CY 2024, and then reduced in the following year, as seen in section 4.6 of this report. Further, from CY 2024 to CY 2025, Tronox experienced increasing costs, and notwithstanding this, Tronox's selling prices fell. The commission also notes that from CY 2024 to CY 2025, the market share of Chinese import volumes of the goods notably increased.

In consideration of the above, the commission considers that there appears to be reasonable grounds to establish that the Australian industry has experienced price injury in the form of price depression and price suppression resulting from dumped goods exported from China.

Tronox claims that it experienced price injury in the form of price suppression due to undercutting from Chinese imports. Tronox provided examples of contracts and email correspondence with a large customer to support its claims. The commission will examine this form of price suppression during the investigation.

#### **5.4.4. Profit and profitability effects**

The commission notes that profit and profitability increased significantly from CY 2023 to CY 2024 as seen in section 4.7 of this report. The commission further notes that profit and profitability notably decreased from CY 2024 to CY 2025, in the midst of an increasing market share of Chinese import volumes.

Given the above, the commission considers that there appears to be reasonable grounds to establish that the Australian industry has experienced injury in the form of loss of profits and reduced profitability resulting from dumped goods exported from China.

#### **5.4.5. Threat of material injury**

The commission finds that Tronox's application also demonstrates that there appears to be reasonable grounds that the Australian industry faces threat of material injury resulting from dumped goods exported from China.

The commission points to Table 10 of this report, which shows the share of the Australian market using indices with yearly values indexed to CY 2022. The commission notes that Chinese import volumes increased consistently from an index value of 100 to 160 from CY 2022 to CY 2025. Particularly, from CY 2024 to CY 2025, there was a notable increase from an index value of 132 to 160.

The commission notes that the increase in exports from China has predominantly displaced exports from other countries. From CY 2024 to CY 2025, the index value of non-Chinese imports significantly decreased from 98 to 57. This shows that the notable increase in Chinese imports from CY 2024 to CY 2025 displaced the volume of non-Chinese imports. The commission notes that this demonstrates a prospective threat of material injury driven by an increasing market presence of dumped Chinese imports.

Concurrently, Tronox's sales volume has also declined. From CY 2023 to CY 2025, the index value of Tronox's sales of production decreased consistently from 101 to 92. The commission notes that the three-year trend of Chinese imports increasing along with Tronox's market share decreasing indicates a foreseeable post CY 2025 volume-based threat of material injury.

The commission also points to the sales contract and email correspondence that Tronox provided, which indicates imminent reductions (post CY 2025) in selling prices and sales volumes relating to the goods. Tronox explained that the contract price reductions were in response to dumped goods imported from China. Figure 5 in

this report shows a price decrease in relation to Tronox's sales of production from CY 2024 to CY 2025. Similarly, Figure 2 shows a reduction in Tronox's sales volume for the same period. The commission notes these price and sales volume decreases, along with the indicative price reductions and volume losses from the sales contract. The commission notes that this points to a potentially continuing downwards trend in price and volume relating to Tronox's sales of the goods. The commission finds that this demonstrates threat of material injury with respect to price and volume.

Given the above, the commission may also examine threat of material injury during the investigation.

#### **5.4.6. Other injury factors**

The commission finds that based on the data provided by Tronox, sales revenue declined from CY 2022 to CY 2023, and from CY 2024 to CY 2025. The commission further finds that finished goods inventory decreased from CY 2022 to CY 2023, and then increased year on year to CY 2025.

The commission notes that the increasing import volumes from China from CY 2022 to CY 2025 may be factor that has contributed to the fall in sales revenue and the increased stockpile of finished goods inventory.

The commission therefore considers that there appear to be reasonable grounds to support Tronox's claim that the Australian industry has experienced injury in the form of reduced revenue and increased finished goods inventory resulting from dumped goods exported from China.

### **5.5. Conclusion – material injury caused by dumping**

The Commissioner is satisfied that there appear to be reasonable grounds for finding that titanium dioxide has been exported from China at dumped prices, and that the dumping has caused material injury to the Australian industry producing like goods. Accordingly, the Commissioner is satisfied that there appear to be reasonable grounds for the publication of a dumping duty notice in respect of the goods the subject of the application.

## 6. Appendices and attachments

Attachments	Title
Non-Confidential Attachment 1	Public notice 2026/061
Confidential Attachment 1	The commission's analysis of application