

9 October 2026

The Director - Investigations
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

**Titanium dioxide exported from the People's Republic of China
Investigation No. 699**

Dear Commissioner,

This submission is made on behalf of Tronox Limited ("Tronox"), the sole Australian producer of titanium dioxide (TiO₂) and the applicant in the above investigation into dumped imports of TiO₂ from the People's Republic of China ("China"). On 6 October 2026 the Trade Remedies Authority of the United Kingdom ("TRA") published its Statement of Essential Facts in Investigation No. AD0086, its dumping investigation into rutile titanium dioxide originating in China ("the UK SEF")¹.

The UK SEF matters to this investigation in several key ways. The TRA has found that the goods are being dumped, at margins of 48.29% and 63.66%, over an investigation period identical to that of this investigation and on the verified data of the same exporter group the Commission has selected. It has found that Chinese producers hold large and growing surplus capacity and that the markets able to absorb it are closing, and it names this investigation among the measures that limit China's export outlets. It has found that the costs of producing the goods in China are distorted by government intervention, including the costs of electricity, natural gas, steam, coal and sulphuric acid. These findings are also directly relevant to the expectations the Minister has set for the Commission and on the commitments the Commission has made in response. This submission also informs the Commissioner of Tronox's agreement of 29 September 2026 to advance a rare earths processing project in Western Australia, and explains why measures on the goods are essential to it.

1. The TRA's findings

1.1 The same goods, investigation period and investigated exporters

The UK investigation and this investigation overlap closely. The TRA records that "[t]he period of investigation (POI) is 1 January 2025 to 31 December 2025", the period over which the Commission is examining dumping in this investigation. The goods under investigation in the United Kingdom are rutile titanium dioxide originating in China, and the goods the subject of this investigation are titanium dioxide in rutile form.

The exporters are also substantially the same. The TRA's sample consisted of "Lomon Billions Group (the LB Group): LB Sichuan Titanium Industry Co., Ltd, Henan Billions Advanced Material Co., Ltd, LB Lufeng Titanium Co., Ltd, LB Xiangyang Titanium Industry Co., Ltd, LB Group Co., Ltd". LB Group, Henan Billions and LB Sichuan are three of the four exporters the Commission selected in this investigation, and LB Lufeng and LB Xiangyang

¹ Trade Remedies Authority (UK), [Statement of Essential Facts](#), Investigation No. AD0086: Dumping investigation into rutile titanium dioxide originating in the People's Republic of China, 6 October 2026.

are residual exporters here. Anhui Gold Star and a Pangang group company were cooperating exporters in the UK investigation as well.

The TRA's findings rest on verified data. It records that "[f]rom the 24 August to 4 September, the TRA conducted an onsite verification visit with Henan Billions and LB Group Co., Ltd." The UK SEF is therefore not a finding about Chinese titanium dioxide in general. It is a finding about the costs and prices of the exporters currently being investigated by the Commission, tested at their own premises.

1.2 Dumping

The TRA states that it "has concluded that the goods concerned are being dumped into the UK from the PRC". It determined a dumping margin of 48.29% ad valorem for the LB Group and for the cooperating non-sampled exporters, and a residual margin of 63.66% ad valorem for all other exporters. It intends to recommend "that the Secretary of State impose a mixed duty for a period of five years on imports of the goods concerned", at 48.29% with a minimum of £0.66 per kilogram for the LB Group and the cooperating exporters, and 63.66% with a minimum of £0.87 per kilogram for all others.

The TRA reached these margins after constructing normal value. It found that a particular market situation prevented a proper comparison between domestic and export prices, and it replaced the exporters' distorted costs with benchmarks drawn principally from Brazil. That is the same approach Tronox has asked the Commission to take in this investigation².

1.3 Price effects and the magnitude of injury

The TRA found that Chinese prices had a significant effect on prices in the United Kingdom during the investigation period. It "calculated a price undercutting margin of 46.43%", and concluded that "the price effect assessments demonstrate that imports of titanium dioxide from the PRC are undercutting, depressing and suppressing the sales prices of UK manufactured like goods". It also found that "prices of imports originating in countries other than the PRC were approximately 50% to 60% higher than those originating in the PRC during the POI".

The TRA measured the extent of that injury through its injury margin. It explains that "[t]he injury margin is the extent at which the UK industry is being injured", calculated by comparing a target price for UK producers with the landed price of the Chinese goods. It determined injury margins of 99.89% for the LB Group and the cooperating exporters and 114.99% for all other exporters. On the TRA's figures, the Chinese goods would need to be priced at roughly double their landed price to remove the injury they cause.

2. The closing of other markets and the exposure of Australia

2.1 Capacity and diversion

The TRA's finding of threat rests on the scale of Chinese capacity and on the closing of China's export markets. It found that Chinese producers were responsible for 65.1% of global output and 57.6% of global capacity in 2025, and that effective capacity utilisation in China was 82.8%, falling to 77.3% when idled capacity is counted. It recorded that planned

² Tronox submission, Particular market situation and cost replacement, 3 August 2026, EPR 699 item 19, section 3.9.

expansions "will increase PRC production capacity to over 7 million MT and create a significant imbalance in supply and demand".

It then found that this surplus has fewer places to go. In the TRA's words, "[t]he ability of other export markets to absorb this freely disposable, and imminently increasing, capacity to produce the goods concerned in the PRC is limited. This is because a number of export markets have trade barriers to the import of titanium dioxide from the PRC." The TRA identified measures in the European Union, Brazil, India, Saudi Arabia and the Eurasian Economic Union, and it recorded that "there has been a new investigation relating to imports of titanium dioxide to Australia from the PRC, which is ongoing".

The TRA measured the effect. Across the five markets that imposed definitive duties, it found "an average monthly reduction in imports from the PRC that totals 389.3 index points, equivalent to 21,170.4 MT per month". It concluded that "[t]he restrictions on market access are currently in place, and the resultant changes to trade flows are already starting to occur". It also found that "inventories of titanium dioxide held by producers in the PRC have increased since the POI", and that China's export controls on sulphuric acid are "likely to increase the production of, and decrease the sales prices of, titanium dioxide manufactured in the PRC, further increasing incentives to export at low prices to unprotected markets".

2.2 Australia is now exposed

When the TRA's recommended duties take effect, the United Kingdom will join the markets closed to dumped Chinese titanium dioxide. The volume the TRA found displaced from protected markets was about 21,170 tonnes a month, although the TRA noted that not all of it is rutile titanium dioxide. Tronox showed in its submission of 9 September 2026 that imports from China averaged 1,706.76 tonnes a month in the three full months after this investigation was initiated, the highest three-month average since the investigation period began³. Less than a tenth of the volume the TRA found displaced would equal the whole of Australia's current monthly imports from China.

Australia has no measures in place while this investigation runs. The TRA's finding that the sulphuric acid controls increase incentives "to export at low prices to unprotected markets" describes Australia's position exactly while no provisional measures are in place. The Customs Act recognises changes of this kind. In assessing whether material injury is threatened, the Minister "must take account only of such changes in circumstances, including changes of a kind determined by the Minister, as would make that injury foreseeable and imminent unless dumping or countervailing measures were imposed"⁴. The progressive closing of the European, Brazilian, Indian, Saudi, Eurasian and now United Kingdom markets is such a change. Tronox's case is one of present material injury, and this development compounds it.

3. The TRA's findings on distorted costs in China

3.1 A particular market situation affecting the costs of the goods

The TRA concluded that "[t]here is a PMS that impacts upon the production of the goods concerned in the PRC" and that "[t]here is a causal link between the PMS and the costs of

³ Tronox submission, *Reconsideration of a preliminary affirmative determination*, 9 September 2026, EPR 699 item 25.

⁴ *Customs Act 1901* (Cth), s 269TAE(2B), Compilation No. 191 (28 March 2026).

producing the goods concerned in the PRC". It identified the costs affected: "The costs of producing the goods concerned in the PRC are distorted as a result of GOC intervention. We have found this to be the case for costs relating to electricity, natural gas, steam, land, labour, finance, titanium feedstocks, sulphuric acid, caustic soda, chlorine, coal, and iron scrap." It concluded that "the existence of a PMS in the PRC prevents a proper comparison between the domestic price of the like goods produced and sold in the PRC and the export price of the goods concerned".

Whilst the TRA applied the United Kingdom's own legal tests, and its findings do not bind the Commission, they are, however, findings of fact about the costs of the same exporters in the same period, made after verification, and the Commission should give them weight.

3.2 Energy

The TRA's findings on energy are detailed and specific to the goods. It found that the two grid companies that supply electricity in China are owned by the State, and that "the distribution and sale of electricity to companies in the PRC is significantly influenced by government policy and political objectives as opposed to purely commercial factors". It concluded that "the GOC takes an active role in energy pricing, distorting market conditions in line with GOC policies".

The TRA then measured the gap. It compared industrial electricity prices in China, of about 0.63 to 0.66 yuan per kWh during the investigation period, with prices in Brazil of about 1.16 to 1.61 yuan per kWh, a difference of between 85% and 144% and about 100% on average. It determined "that the PMS that relates to electricity prices in the PRC has caused distortions in the cost of energy in the PRC of which producers of titanium dioxide would benefit". It reached the same conclusion for natural gas and for steam. Applying these findings, it increased the energy costs of the LB Group companies by between 55.34% (LB Sichuan) and 88.29% (LB Xiangyang), with increases of 70.73% for Henan Billions and 78.35% for LB Group.

The TRA also rejected the LB Group's argument that its own generation of power escapes the distortion. LB Group had submitted that "[c]aptively produced electricity would, by definition, not be subject to those alleged distortions". The TRA answered that "the electricity produced in this manner by LB Group is done so using natural gas and is therefore subject to any distortions found in that regard". The same exporters can be expected to make the same argument to the Commission, and it should be answered the same way.

3.3 Coal, sulphuric acid and other inputs

The TRA found the price of coal in China is "36.8% lower than the globally traded coal price for the POI". On sulphuric acid, it compared the prices paid by LB Group and LB Xiangyang with an international benchmark and found that "the exporters of the goods concerned were subject to significantly lower costs than the international benchmark". It found chlorine prices outside China 93.7% higher than in China, and it found distortion in the cost of titanium feedstock.

3.4 Benchmarks

The TRA "determined that Brazil was the most suitable benchmark country due to the availability of data and the similarity of economic development with the PRC". It is the same benchmark country the European Commission used in its investigation of the same goods, and the one Tronox has proposed in this investigation. Two investigating authorities have

now replaced the energy and input costs of Chinese titanium dioxide producers with Brazilian benchmarks for overlapping periods.

4. The Minister's Statement of Expectations and the Commissioner's Statement of Intent

The Minister's Statement of Expectations⁵, signed on 18 September 2025, frames the Commission's work against exactly the conditions the TRA has now documented. The Minister wrote that "[t]here is a significant risk of trade diversion and dumping into the Australian market undermining otherwise competitive Australian industry", and that "[i]nternational overcapacity in key sectors, combined with the increasing use of quotas and tariffs by other countries are altering international trade flows". The Minister stated: "I expect you to use every power available to you to ensure that Australian manufacturers across the supply chain are not injured by unfair dumping and subsidisation."

On remedies, the Minister expects the Commission "to prioritise effective remedies for Australian manufacturers and producers being injured by dumping and subsidisation, including issuing preliminary affirmative determinations, as soon as possible where the circumstances warrant". The Minister also expects the Commission to "develop constructive relations with the trade remedy authorities of our key trading partners".

The Commissioner's Statement of Intent⁶, signed on 21 November 2025, accepts those expectations. It states that "[w]e will act swiftly and decisively where unfair international trade practices cause injury to local industry", and that "I will maintain the Commission's focus on issuing PADs where sufficient grounds exist, ensuring that Australian industries are not exposed to injury while investigations are ongoing". It records that the Commission "is enhancing its monitoring of global trade data to identify risks of trade diversion", and commits the Commissioner to "deepen the Commission's engagement with international counterparts to strengthen collaboration on shared objectives, facilitate the exchange of market intelligence, and promote international best practice in trade remedies administration".

The UK SEF engages each of these commitments. It is market intelligence from a key trading partner's trade remedy authority, about the same goods, exporters and period. It documents the trade diversion the Statement of Expectations warns of, and is relevant to the question of provisional measures that has been before the Commissioner since Tronox's request of 9 September 2026. The Customs (Preliminary Affirmative Determination) Direction 2015 requires the Commissioner to consider "the desirability of providing relief to an injured Australian industry, where warranted, as quickly as possible", and to reconsider whether to make a preliminary affirmative determination "at least once prior to the publication of the Statement of Essential Facts". The statement of essential facts in this investigation is not due until 6 April 2027. On the TRA's findings, the exporters' surplus is already moving away from protected markets, and Australia is unprotected while the investigation runs.

5. Tronox's investment in rare earths processing in Australia

Tronox continues to invest in Australia while this investigation runs. On 29 September 2026 Tronox Holdings plc announced that it had signed a cooperation and investment agreement with JX Advanced Metals Corporation of Japan to advance its rare earth and critical minerals

⁵ [A statement of expectations from the Minister for Industry and Innovation to the Commissioner](#)

⁶ [A statement of intent from the Commissioner to the Minister for Industry and Innovation](#)

business⁷. Under the agreement the two companies "will fund on a 50/50 basis approximately \$32 million to support a definitive feasibility study for Tronox's previously announced proposed rare earth cracking and leaching facility" in Australia, together with feasibility work on a rare earth oxide refinery in the United States. As currently contemplated, the two sites "would aim to produce up to 10,000 tonnes per annum of total rare earth oxides".

The Australian project is built on Tronox's titanium dioxide business. The companies plan to locate the cracking plant "in the Rockingham Industrial Zone in Western Australia, approximately three kilometers south of Tronox's Kwinana TiO₂ pigment plant, enabling shared services and other resources that can be leveraged due to Tronox's extensive footprint and infrastructure in Australia, where it employs more than 1,200 people at its existing operations". The rare earth feedstock comes from the same mineral sands operations that supply titanium feedstock for pigment production. Tronox mines "titanium-bearing mineral sands and operate[s] upgrading facilities that produce high-grade titanium feedstock materials, pig iron and other minerals, including the rare earth-bearing mineral, monazite".

The recently announced rare earth project in Australia with JX Advanced Metals Corporation will only come to fruition if Tronox has a healthy, financially viable TiO₂ pigment business. The dominant mineral from Tronox's Australian mine by far is ilmenite. Without the ability to profitably process ilmenite into TiO₂ the economics of heavy mineral sands mining in Australia collapses. Without heavy mineral sand mining, there is no monazite and no rare earth mineral processing at the Rockingham, WA site. Tronox's ability to continue to produce TiO₂ in Australia is now in peril caused by Chinese dumping. If dumped imports continue to depress the prices and volumes of Tronox's Australian pigment sales, the platform on which the rare earth project rests is weakened, and so is the case for the investment and for the financing it will need.

Tronox submits that the imposition of provisional securities and interim dumping duties on titanium dioxide from China is essential to its rare earth initiative, because measures secure the base business on which that initiative depends. This is the kind of investment the Minister's Statement of Expectations seeks to protect. The Minister wrote that "[o]ur strategic and critical minerals producers; vital copper, steel and aluminium smelters; and diverse value-added fabrication industries must all be able to operate on a level playing field with imported goods". The Minister also referred to the Government's investment in Australian manufacturing through initiatives that "will span our economy from critical mineral extraction", and stated: "I expect the anti-dumping system to support this agenda by ensuring a fair and competitive environment that supports and encourages investment into Australia."

6. Conclusion and request

For the reasons set out above, Tronox respectfully requests that the Commissioner:

- take the UK SEF into account as relevant information in this investigation;
- make a preliminary affirmative determination under section 269TD of the Act now, as requested in Tronox's submission of 9 September 2026, having regard to the TRA's findings on dumping, price effects and trade diversion;

⁷ Tronox Holdings plc, [Tronox Announces Signing of a Cooperation and Investment Agreement with JX Advanced Metals to Advance Rare Earth Strategy](#), 29 September 2026.

- have regard to the TRA's findings on the distortion of energy, coal, sulphuric acid and other input costs in China, and to its rejection of the LB Group's argument on captive generation, in assessing the particular market situation claimed by Tronox and whether the selected exporters' records reasonably reflect competitive market costs, and
- monitor imports of the goods from China for diversion from markets that have imposed or are imposing measures, including the United Kingdom once its measures take effect.