Official Journal
of the European Union

EN
L series

2024/785

6.3.2024

COMMISSION IMPLEMENTING REGULATION (EU) 2024/785

of 5 March 2024

making imports of new battery electric vehicles designed for the transport of persons originating in the People's Republic of China subject to registration

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2016/1037 of the European Parliament and of the Council of 8 June 2016 on protection against subsidised imports from countries not members of the European Union ([1]) ('the basic Regulation'), and in particular Article 24(5) thereof,

After informing the Member States,

Whereas:

(1) On 4 October 2023, the Commission announced, by a notice published in the *Official Journal of the European Union* ([2]) ('the notice of initiation'), the initiation on its own initiative of an anti-subsidy investigation ('the anti-subsidy investigation') with regard to imports into the Union of new battery electric vehicles designed for the transport of persons, originating in the People's Republic of China ('the PRC').

1. PRODUCT SUBJECT TO REGISTRATION

(2) The product subject to registration ('the product concerned') is new battery electric vehicles ('BEVs'), principally designed for the transport of nine or less persons, including the driver, propelled ([3]) solely by one or more electric motors. Motorcycles are excluded from the investigation. The product concerned is currently classified under CN code 8703 80 10.

2. GROUNDS FOR REGISTRATION

(3) According to Article 24(5) of the basic Regulation, the Commission may, on its own initiative, direct the customs authorities to take the appropriate steps to register imports, so that measures may subsequently be applied against those imports from the date of such registration, in accordance with Article 16(4) of the basic Regulation.

2.1. Critical circumstances where injury, which is difficult to repair, is caused by massive imports of a subsidised product in a relatively short period

(4) As regards subsidisation, the Commission has at its disposal sufficient evidence tending to show that imports of the product concerned from the PRC are being subsidised. The alleged subsidies consist, *inter alia*, of:

(i) direct transfer of funds and potential direct transfers of funds or liabilities,

(ii) government revenue forgone or not collected, and

(iii) government provision of goods or services for less than adequate remuneration.

(5) The evidence of subsidisation was made available in the memorandum on sufficiency of evidence.

(6) It is alleged that the measures described in recital (4) amount to subsidies because they involve a financial contribution by the Government of the PRC or other regional governments (including public bodies), or by private bodies directed or entrusted by the Government of the PRC, and which confer a benefit to the exporting producers of the product concerned. They appear to be specific and, thus, countervailable, among others, since they are limited to certain sectors, products and/or regions.

([1]) OJ L 176, 30.6.2016, p. 55.
([2]) OJ C, C/2023/160, 4.10.2023, ELI: http://data.europa.eu/eli/C/2023/160/oj.
([3]) Regardless of the number of wheels set in motion.

(7) Therefore, the available evidence at this stage tends to show that the exports of the product concerned are benefiting from countervailable subsidies.

(8) The evidence also shows critical circumstances in the form of massive imports in a relatively short period as well as a substantial increase of imports under CN code 8703 80 10 in the period from October 2023 to January 2024. Specifically, the evidence available shows that the amount of imports between October 2023 and January 2024 is 177 839 pieces. This represents an increase of 11 % compared to the investigation period (October 2022–September 2023) in terms of monthly average (see Table 1), and of 14 % compared to the respective period between October 2022 and January 2023 (see Table 2).

Table 1

Imports from the PRC in the IP and after investigation

	Investigation period	Investigation period monthly average	October 2023–January 2024	October 2023–January 2024 monthly average	Change
Imports from the PRC to the Union (pieces)	479 720	39 977	177 839	44 460	+ 11 %

Source: Surveillance database.

Table 2

Imports from the PRC October-January Year-over-Year

	October 2022–January 2023	October 2023–January 2024	Change
Imports from the PRC to the Union (pieces)	155 873	177 839	+ 14 %

Source: Surveillance database.

(9) At this stage it is possible that, on the basis of the data collected during the investigation, the injury, which would be difficult to repair, started to materialise even before the end of the investigation.

(10) There is also a risk that an increasing number of Union producers will suffer from diminishing sales and reduced production levels if imports continue at the current increased levels at allegedly subsidised prices from the PRC as evidenced so far after the initiation of the investigation. It is clear that that risk will negatively impact employment and the overall performance of Union producers. This would constitute injury which would be difficult to repair.

2.2. **Preclusion of recurrence of injury**

(11) Given the data and considerations set out in recitals (8) to (10), the Commission deemed it necessary to prepare the potential retroactive imposition of measures by imposing registration in order to preclude the recurrence of such injury. Thus, should the Commission conclude that the domestic industry suffers material injury at the end of the current investigation, the collection of countervailing duties on registered imports may be deemed appropriate to preclude the recurrence of such injury.

2.3. **Conclusion**

(12) The Commission concluded that there is sufficient evidence to justify making imports of the product concerned subject to registration in accordance with Article 24(5) of the basic Regulation.

3. PROCEDURE

(13) All interested parties are invited to make their views known in writing and to provide supporting evidence. The Commission may hear interested parties, provided that they make a request in writing and show that there are particular reasons why they should be heard.

4. REGISTRATION

(14) Pursuant to Article 24(5) of the basic Regulation imports of the product concerned should be made subject to registration for the purpose of ensuring that, should the investigation result in findings leading to the imposition of countervailing duties, those duties can, if the necessary conditions are fulfilled, be levied retroactively on the registered imports in accordance with the applicable legal provisions.

(15) Any future liability would emanate from the findings of the investigation.

(16) At this stage of the investigation it is not yet possible to accurately estimate the amount of subsidisation. Thus, the Commission does not find it appropriate to provide an estimated amount of future liability.

5. PROCESSING OF PERSONAL DATA

(17) Any personal data collected in the context of this registration will be treated in accordance with Regulation (EU) 2018/1725 of the European Parliament and of the Council ([4]),

HAS ADOPTED THIS REGULATION:

Article 1

1. The customs authorities are hereby directed, pursuant to Article 24(5) of Regulation (EU) 2016/1037, to take the appropriate steps to register imports into the Union of new battery electric vehicles, principally designed for the transport of nine or less persons, including the driver, propelled (regardless of the number of wheels set in motion) solely by one or more electric motors, currently classified under CN code 8703 80 10 and originating in the People's Republic of China. Motorcycles are excluded from the present investigation.

2. Registration shall expire nine months following the date of entry into force of this Regulation.

3. All interested parties are invited to make their views known in writing, to provide supporting evidence or to request to be heard within 21 days from the date of publication of this Regulation.

Article 2

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, 5 March 2024.

For the Commission
The President
Ursula VON DER LEYEN

([4]) Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).