

- (738) In addition, the Commission observed that six importers representing a large volume of imports supported the imposition of measures, which confirmed the capacity of importers to adapt their activity to the imposition of measures.
- (739) Following disclosure, the CEIEB further submitted that the Commission did not assess adequately the difficulty and cost involved in the adaptation of the supply chain of importers caused by the imposition of measures and disregarded the situation of small importers.
- (740) The Commission disagrees with that claim and makes reference to recital (736) where the adverse effect of the imposition of measures on small importers is stated and to recital (740) where it concludes that the imposition of measures was not in the interest of importers.
- (741) The Commission maintains, however, the finding that this negative impact is mitigated by the possibility to source suitable electric bicycles from the Union industry, from other third countries and from the PRC at fair, non-injurious prices, and that this does not outweigh the positive effect of measures on the Union industry.

6.4. Interest of users

- (742) The European Cyclists' Federation ('ECF') came forward in this investigation. The ECF represents associations and federations of cyclists. The ECF submitted that the price is not the determining factor in whether people cycle more or less and provided evidence that countries where people cycle more are the countries where bicycles and electric bicycles cost more.
- (743) This pattern was corroborated by a submission made by the collective of importers opposing the measures which showed that the countries with the fastest rates of adoption of electric bicycles were the countries where electric bicycles were on average the most expensive.
- (744) The collective of importers also submitted that there was a strong link between the prices of electric bicycles, the national cycling culture, the quality of infrastructures and ultimately the adoption of electric bicycles.
- (745) The ECF is supportive of market conditions which foster quality, innovation and services. As such, if the existence of unfair trade practices was established, ECF claimed that it would play a negative role in the development of electric bicycles and as a consequence on the transition to a greener Europe offering more effective mobility to its citizens.
- (746) On the other hand, the collective of importers opposing the imposition of measures submitted that measures would prevent Chinese producers to supply the low-end as well as developing mid- and high-range products, which would result in reduced competition. Since the Union industry allegedly to a large extent is active in the mid- and high-range segments, this in turn would bring a reduction of choice and higher prices for the European consumers.
- (747) The investigation has shown that the Union industry is active in all segments of the market, including entry-level products. In that respect, 'entry-level products' are those electric bicycles which have the basic characteristics in the structure of the product control number (PCN). The definition of 'entry-level products' is different from the alleged differentiation of the market in segments. In particular, no physical criteria were provided by any interested party which would support an analysis based on a segmentation of the market.
- (748) It is expected that the measures will amplify and diversify the supply of electric bicycles by restoring competition on a level playing field. It is recalled that the imposition of measures on conventional bicycles did not reduce the consumer choice, but increased the diversity of suppliers and of their countries of origins. The argument was therefore found to be unsubstantiated and had to be rejected.
- (749) Whilst the imposition of measures is expected to restore market prices which are de facto higher than subsidized prices, price is one factor guiding consumer choices and the likely impact on prices for consumers has to be balanced by a cost-benefit comparison with alternatives to electric bicycles such as cars, motorcycles or scooters.
- (750) The Commission found that the interest of the consumer cannot be reduced to the price impact of bringing imports from the PRC to non-injurious levels. On the contrary, there is evidence that consumer choice is driven by other factors such as variety, quality, innovation, and service which can only be achieved under normal market conditions with fair and open competition.