## A.D.C. No. 27/2012/NTC/PSF Government of Pakistan National Tariff Commission

## Notice of Preliminary Determination and Levy of Provisional Anti-Dumping Duty on Dumped Imports of Polyester Staple Fibre into Pakistan Originating in and/or Exported from the People's Republic of China

The National Tariff Commission (the "Commission") initiated an anti-dumping investigation on June 26, 2012 under Section 23 of the Anti-Dumping Duties Ordinance, 2000 (the "Ordinance") after establishing that the application lodged by Messrs. ICI Pakistan Limited, Lahore and Ibrahim Fibres Limited, Faisalabad (hereinafter collectively referred to as the "Applicants") on behalf of the domestic industry manufacturing Polyester Staple Fibre not exceeding 2 denier ("PSF"), was in accordance with Sections 20 and 24 of the Ordinance. The investigation concerns dumping of PSF, originating in and/or exported from the People's Republic of China ("China") into Pakistan and material injury to the domestic industry manufacturing PSF. In accordance with the provisions of the Ordinance and the Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has, after investigation, determined the following on a preliminary basis:

**Exporters and Foreign Producers:** The Applicants identified a number of exporters/producers involved in the alleged dumping of PSF from China, however, 12 exporters/producers responded to the Commission's request for information/data and furnished information for the purposes of this investigation.

**Product Under Investigation:** PSF not exceeding 2 denier exported by the exporters/ producers from China is the product under investigation ("Investigated Product"). It is classified under Pakistan Customs Tariff ("PCT") No. 5503.2010.

**Like Product:** The Commission's investigation has established that the investigated product and PSF produced by the domestic industry are produced with similar manufacturing process, and with the same/similar raw materials. Both products have the same physical characteristics, usage, and tariff classification. Thus, it is provisionally established that the investigated product and PSF produced by the domestic industry are "like products".

## Period of Investigation ("POI"):

For investigation of dumping:	From April 01, 2011 to March 31, 2012
For investigation of injury:	From April 01, 2009 to March 31, 2012

**Determination of Dumping:** Normal value and export price of the investigated product for the exporters/ producers who cooperated and furnished necessary information have been determined in accordance with Sections 5, 6 and 10 (1) of the Ordinance, respectively, on the basis of the information provided by these exporters/producers in response to the Commission's questionnaire. Dumping margin for all other exporters from China, who did not cooperate, is determined on the basis of best information available in terms of Section 32 of the Ordinance.

**Dumping Margin:** Dumping margins have been calculated in accordance with Section 12(1) of the Ordinance by comparing the weighted average normal value at ex-factory level with the weighted average export price at ex-factory level.

**Injury to the Domestic Industry:** Injury to the domestic industry has been determined in accordance with Part VI of the Ordinance. The Commission has on preliminary basis established that the domestic industry suffered material injury on account of increase in dumped imports in absolute terms as well as relative to the domestic production of PSF; significant price suppression; loss in market share; significant decrease in sales; decrease in profits and profitability, and negative effects on cash flows, production and capacity utilization, and employment and wages. The Commission has also examined factors other than dumped imports, which were causing injury to the domestic industry.

**Imposition of Provisional Anti-Dumping Duty:** In reaching this preliminary affirmative determination, the Commission is satisfied that the investigated product has been imported from China at dumped prices. This has caused material injury to the domestic industry producing PSF during the POI. In order to prevent material injury during the course of this investigation, the Commission, pursuant to the powers conferred upon it under Section 43 of the Ordinance, has decided to impose provisional anti-dumping duty at the rates mentioned below on C&F value in *ad val.* terms on imports of PSF not exceeding 2 denier importable from China for a period of four months effective from December 21, 2012, on the following exporters/producers:

S. No.	Exporter Name	Provisional Anti-Dumping Duty Rate
1.	Unisky Shanghai (HK) Limited	2.95 %
2.	Zhangjiagang Chengxin Chemical Fibre Co. Ltd.	4.49 %
3.	Jiangyin Huahong Chemical Fibre Co. Ltd.	5.14 %
4.	Nanyang Textile Co. Ltd.	2.09 %
5.	Suzhou Rizhongtian Chemical Fibre Co. Ltd.	7.37 %
6.	Others	8.82 %

The Commission has not imposed anti-dumping duty on the following Chinese exporters/producers as they were found either not to have dumped or their dumping margin was found to be *de minimis* (less than 2%) in terms of Section 41 of the Ordinance during the POI:

- i. Jiangsu Xinsu Chemical Fibre Co. Ltd;
- ii. Jiangsu Huaxicun Co. Ltd.;
- iii. Shanghai Hengyi Polyester Fibre Co. Ltd.;
- iv. Jiangyin Hailun Chemical Fibre Co. Ltd.;
- v. Jiangyin Huafang Technological Synthetic Fibre Co. Ltd.; and
- vi. Suzhou Guoxin Group Tai Cang Sun-Rising IMP & EXP Co. Ltd.

Provisional anti-dumping duties shall take the form of security by way of cash deposit in the Commission's Non-lapsable PLD Account No. 187 with Federal Treasury Office Islamabad. Provisional anti-dumping duties would be collected in the same manner as customs duty under the Customs Act, 1969 (IV of 1969).

**Disclosure meeting:** Pursuant to Rule 11 of the Rules, the exporters/producers of the investigated product may request for a disclosure meeting within 15 days of the date of publication of this notice.

**Hearing:** Any party registered as an interested party in this investigation may, if it so wishes, request a hearing in accordance with Rule 14 of the Rules within 30 days of the publication of this notice by contacting Secretary, National Tariff Commission, State Life Building No.5, Blue Area, Islamabad. Telephone No.: +92-51-9202839, Fax No.: +92-51-9221205.

**Further Information:** A non-confidential version of the report on preliminary determination has been placed on the public file established and maintained by the Commission. It has also been posted on the Commission's website: <u>www.ntc.gov.pk</u>. The public file shall be available to the interested parties, registered with the Commission for the purposes of this investigation, for review and copying at the office of the Commission, from Monday to Thursday (except public holidays) between 1100 Hrs to 1300 Hrs.

Authority under Law: This notice is published pursuant to Section 37 of the Ordinance by order of the Commission.

(Muhammad Shahid) Secretary December 21, 2012