

National Tariff Commission

Notice of Conclusion of Sunset Review of Anti-dumping Duty Imposed on Dumped Imports of Tinplate Originating in and/or Exported from the Republic of South Africa

The National Tariff Commission (the "Commission") under Section 58 of the Anti-Dumping Duties Ordinance, 2000 (the "Ordinance") conducted a review of Anti-Dumping duty imposed on dumped imports of Tinplate Originating in and/or Exported from the Republic of South Africa ("Sunset Review"). The Sunset Review was initiated upon receipt of an application under Section 58(3) of the Ordinance on May 31, 2007 from Siddiqsons Tin Plate Limited, D-53, Textile Avenue, S.I.T.E., Karachi-75700, Pakistan, (the "Applicant"), a domestic producer of Tinplate. The application was made following the publication (published in national press and official Gazette on April 19, 2007) of a notice of impending expiry of the anti-dumping duty imposed on dumped imports of flat rolled products of iron or non-alloy steel, of width of 600mm, plated or coated with tin of a thickness of less than 0.5mm ("Tinplate") produced by Iscor Limited, (now Arcelor Mittal Steel (SA) Limited) Roger, Dyason Road, P.O. Box 450, Pretoria-West, Pretoria 0001, South Africa (the "Producer") and exported by Macsteel International SA (Pty) Ltd., 187 Rivonia Road, Sandton, P.O. Box 8370, Johannesburg, South Africa (the "Exporter") into Pakistan. Earlier the Commission imposed anti-dumping duty with effect from July 22, 2002 for a period of five years on Tinplate produced by the Producer and exported by the Exporter vide N-3 (ADC No.001/2002/TP/SA) published in the official Gazette and the national press on November 27, 2002. In accordance with the Ordinance and the Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has conducted and concluded the Sunset Review as follows:

Product Under Review:

The product under review is flat rolled products of iron or non-alloy steel, of width of 600mm, plated or coated with tin of a thickness of less than 0.5mm produced by the Producer and exported by the Exporter. It is classified under Pakistan Customs Tariff classification number 7210.1200. Basic raw material used for the production of the product under review is "Tin Mill Black Plate (TMBP)", which is a steel based product. The product under review is used for packaging of edible oils, foodstuff, paints, petroleum products etc.

Period of Review ("POR"):

The Commission gathered/obtained necessary information for the last six years i.e. from July 01,2001 to June 30, 2007 from (i) the Applicant for determination of likelihood of continuation or recurrence of injury and from (ii) Exporter and the Foreign Producer to determine likelihood of continuation or recurrence of dumping. The Commission during the course of Sunset Review also obtained further data from the Applicant for the period of 1.7.2007 to 31.12.2007.

Volume of Dumped Imports: After imposition of definitive anti-dumping duty on dumped imports of the product under review with effect from July 22, 2002, the Exporter stopped exporting to Pakistan.

Likelihood of Continuation or Recurrence of Dumping: Given the fact that the Exporter stopped exporting the product under Review to Pakistan, likelihood or recurrence of dumping has been determined by comparison of normal value of the product under review with the Exporter's export price to other countries during the period of review after making appropriate adjustments in light of Part III, IV and V of the Ordinance.

Likely Continuation or Recurrence Injury to the Domestic Industry: Likelihood of continuation or recurrence of injury to the domestic industry has been determined by the Commission in accordance with Section 58 (3) of the Ordinance. As stated above, the Exporters stopped exporting the product under review to Pakistan after imposition of anti-dumping duty and the economic situation of the domestic industry improved, the Commission has focused its analysis on the likelihood of recurrence of injury. In this regard factors and indices listed in Section 15 and 17 of the Ordinance for injury analysis have been analyzed for likelihood of recurrence of injury in light of the possible export volume and prices of the product under review and the possible effect thereof on domestic industry producing Tinplate. The Commission determined that should the measures lapse, the domestic industry would likely suffer material injury on account of price undercutting; price depression; price suppression; negative effects on production and capacity utilization, loss in market share and sales; negative effects on

productivity, negative effect of inventories, negative effect on cash flows, decline in profit, negative effect on employment, productivity, wages and decrease in return on investment.

Injury Factors other than Dumped Imports: The Commission has also examined factors other than dumped imports, and found that the domestic industry was adversely affected due to factors other than dumped imports. These factors will continue to affect the domestic industry in the same manner regardless of whether or not the duty is removed. These factors are therefore clearly distinguishable from the injurious effects likely to arise should the duty be removed and which are likely to cause injury to domestic industry.

Continuation of Definitive Anti-dumping Duty:

In terms of Section 58(3) of the Ordinance, a definitive anti-dumping duty shall not expire if the Commission determines in a review that the expiry of such anti-dumping duty would be likely to lead to continuation or recurrence of dumping and injury. In view of the analysis and conclusions with regard to likely recurrence of dumping and material injury, there is a need to continue imposition of definitive anti-dumping duty on imports of the product under review. Thus, the Commission hereby decides to continue the imposition of definitive anti-dumping duty imposed @ 27.33% on Tinplate produced by the Foreign Producer and exported by the Exporter for another period of 5 years effective from July 22, 2007.

Disclosure meeting: Pursuant to Rule 16 of the Rules, the exporters/foreign producers of the product under review may request for a disclosure meeting within 15 days of the date of publication of this notice.

Further Information: A non-confidential version of the report on conclusion of Sunset Review shall be placed on public file established and maintained by the Commission for this Sunset Review. It shall also be posted on the Commission's website: www.ntc.gov.pk. The public file shall be available to the interested parties, registered with the Commission for the purposes of this Sunset Review, for review and copying at the offices of the Commission, from Monday to Thursday between 1100 hrs to 1300 hrs.

By order of the Commission.

(Omer Moin Chaudhry)
Director
July 12, 2008