

Notice of Conclusion of Sunset Review of Anti-dumping Duties Imposed on Dumped Imports of Formic Acid 85% Originating in and/or Exported from the Republic of Finland and Federal Republic of Germany

The National Tariff Commission (the "Commission") under Section 58 of the AntiDumping Duties Ordinance, 2000 (the "Ordinance") conducted a review ("Sunset Review") of antidumping duties imposed on dumped imports of Formic Acid 85% ("FA") originating in and/or exported from the Kemira, Finland ("Kemira") and BASF, Germany ("BASF") (the "Exporters"). The Sunset Review was initiated on February 26, 2011 upon receipt of an application under Section 58(3) of the Ordinance from Tufail Chemical Industries Limited, (the "Applicant"), a domestic producer of FA. The Commission had imposed antidumping duties with effect from March 09, 2006 for a period of five years on FA exported by the Exporters.

In accordance with the Ordinance and the AntiDumping Duties Rules, 2001 (the "Rules"), the Commission has conducted and concluded the Sunset Review. The salient features are as follows:

Product Under Review:

The product under review is FA. It is classified under Pakistan Customs Tariff classification 2915.1100.

Period for Review (POR):

POR for this Sunset Review was from October 1, 2007 to September 30, 2010.

Likelihood of Recurrence of Dumping from the Exporters: After imposition of definitive anti-dumping duty on dumped imports of FA, the exporters stopped exporting to Pakistan. However, the Commission has determined likelihood of recurrence of dumping from the Exporters on the basis of information obtained from the Exporters, Applicant and other websites.

Likely Continuation or Recurrence of 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 Part VI of the Ordinance. There were no dumped imports of FA during POR. In this regard factors and indices listed in Sections 15 and 17 of the Ordinance for injury analysis have been analyzed to determine the likelihood of continuation and/or recurrence of injury in case antidumping duties on FA are terminated. The Commission has determined that, should the anti-dumping duties lapse, the domestic industry is likely to face an increase in the volume of dumped imports and/or price undercutting, price suppression or price depression. This may result into decline in market share, sales, production & capacity utilization, profit, employment and productivity. The Commission has also examined injury caused by factors other than dumped imports.

Continuation of Definitive Anti-dumping Duties: In view of the analysis and conclusions with regard to likely continuation or recurrence of dumping of FA and likely continuation or recurrence of injury to the domestic industry, there is a need to continue imposition of definitive antidumping duties on imports of the product under review. Thus, the Commission has decided to continue the imposition of definitive antidumping duty imposed at the following rates with effect from March 09, 2011 for a period of five years.

Definitive Antidumping Duty Rates

Exporter/producer	Duty rate
Kemira, Finland	13.63%
BASF, Germany	6.25%

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

By order of the Commission.

(Muhammad Shahid)
Secretary
February 17, 2011