

(NON-CONFIDENTIAL)



**Government of Pakistan
National Tariff Commission**

**Conclusion of Sunset Review and Termination of
Anti-dumping Duties Imposed on Dumped Imports
of Secondary Quality Tinplate from Belgium, France,
Germany, Netherlands and USA**

**A.D.C. No. 16/2008/NTC/SECONDARY QUALITY TINPLATE/SR/14
January 07, 2016**

A. INTRODUCTION

The National Tariff Commission (the “Commission”) having regard to the Anti-Dumping Duties Act, 2015 (the “Act”) and the Anti-Dumping Duties Rules, 2001 (the “Rules”) relating to the investigation and determination of dumping of goods into the Islamic Republic of Pakistan (“Pakistan”), material injury to the domestic industry caused by such imports, and imposition of antidumping duties to offset the impact of such injurious dumping, and to ensure fair competition thereof. Section 58 of the Act relates to review of antidumping duties imposed on dumped imports of the investigated products.

2. Having regard to the Section 58(1) of the Act, any definitive anti-dumping duty imposed shall be terminated on a date not later than five years from the date of its imposition, however, as per Section 58(3) of the Act, 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.

3. The Commission has conducted a sunset review of the definitive anti-dumping duties imposed by the Commission on dumped imports of Secondary Quality Tinplate imported into Pakistan originating in and/or exported from Belgium, France, Germany, Netherlands and USA (the “Exporting Countries”). In terms of Section 62(2) of the Act, a sunset review shall normally be completed within twelve months from its initiation. The Commission initiated this sunset review on January 15, 2015 following receipt of an application from the domestic industry manufacturing Secondary Quality Tinplate. Therefore, the Commission is required to conclude this review latest by January 14, 2016.

B. BACKGROUND

4. Definitive Anti-dumping Duties Inplace

The Commission imposed following definitive anti-dumping duties on dumped imports of Secondary Quality Tinplate originating in and/or exported from the Exporting Countries for a period of five years effective July 16, 2009:

**Table-I
Definitive Antidumping Duties**

Country/Exporter	Duty rates (%)
Belgium	28.62
France	31.31
Germany	23.73
Netherlands	
i. Corus Staal BV	23.96
ii. All Others Rate	39.99
USA	11.78

C. PROCEDURE

5. The procedure set out below has been followed with regard to this sunset review.

6. Notice of Impending Expiry of Definitive Anti-dumping Duty

The Commission published a notice of impending expiry of anti-dumping duties in this case on April 15, 2014 in official Gazette¹ and national press² in accordance with Section 58(2) of the Act.

7. Receipt of Application

On June 13, 2014 the Commission received a written application from the domestic producer, of Secondary Quality Tinplate namely M/s Siddiqsons TinPlate Ltd, Karachi (the "Applicant"), under Section 58(3) of the Act. This application was filed in response to the Commission's notice of impending expiry of the anti-dumping duties. The Applicant alleged that expiry of anti-dumping duties on Secondary Quality Tinplate would likely to lead to recurrence of dumping of Secondary Quality Tinplate from the Exporting Countries and injury to the domestic industry producing Secondary Quality Tinplate.

8. Evaluation and Examination of the Application

The examination of the application showed that it met the requirements of Section 58(3) of the Act as it, *prima facie*, contained sufficient evidence of likelihood of recurrence of dumping of Secondary Quality Tinplate from the Exporting Countries and injury to the domestic industry.

9. The Domestic Industry

9.1 Domestic industry in terms of Section 2(d) of the Act is defined as follows:

“domestic industry” means the domestic producers as a whole of the domestic like product or those of them whose collective output of that product constitutes a major proportion of the total domestic production of that product, except that when any such domestic producers are related to the exporters or importers, or are themselves importers of the allegedly dumped investigated product in such a case “domestic industry” shall mean the rest of the domestic producers.”

¹ The official Gazette of Pakistan (Extraordinary) dated April 15, 2014

² The 'Business recorder' and the 'Ausaf' dated April 15, 2014

9.2 The domestic manufacturing industry of Secondary Quality Tinplate comprises of only one unit i.e., the Applicant. At present its installed production capacity to produce prime as well as Secondary Quality Tinplate is 120,000 MT per annum.

10. Standing of the Applicant

10.1 In order to determine whether the application was made by or on behalf of domestic industry, relevant provisions of Section 24 of the Act have been considered. In terms of Section 24(1) of the Act, an application shall be considered to have been made by or on behalf of the domestic industry only if it is supported by those domestic producers whose collective output constitutes more than fifty percent of the total production of a domestic like product produced by that portion of the domestic industry expressing opinion either support for or opposition to the application.

10.2 Furthermore, Section 24(2) of the Act provides that no investigation shall be initiated when domestic producers expressly supporting an application account for less than twenty five percent of the total production of the domestic like product produced by the domestic industry.

10.3 As stated above (paragraph 9 supra) the domestic Tinplate manufacturing industry comprises of only one unit i.e., the Applicant, therefore, it represents 100 percent of domestic production of the Secondary Quality Tinplate.

10.4 On the basis of the above information the Commission has determined that the application was made by the domestic industry as the Applicant represents 100 percent of the domestic production of Secondary Quality Tinplate.

11. Applicant's Views

In application the Applicant has submitted, *inter alia*, the following regarding likelihood of recurrence of dumping of Secondary Quality Tinplate and injury to the domestic industry caused there from:

- i. Imposition of antidumping duties on dumped imports of Secondary Quality Tinplate from the Exporting Countries resulted into significant reduction in volume of dumped imports. However, imports from these sources are still at dumped prices. In such a situation removal of antidumping duties is likely to lead resumption of dumped imports from France and Netherlands, and continuation of dumping at enhanced volume of dumped imports from Belgium, Germany and USA;

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- ii. All countries involved in dumping as per original investigation are developed countries having huge installed capacities of the investigated product not only for domestic consumption but also meant for export purposes. Due to this reason, even after the imposition of antidumping duties, imports from Belgium, Germany and USA are still continuing. This is good enough evidence that these countries have freely disposable inventories with them to throw away at dumped prices and also have idle capacities. Hence, there is need to continue imposition of antidumping duties on all the dumped sources;
- iii. The domestic industry will face price under cutting in case anti-dumping duties are removed, which will likely lead to price depression and price suppression. Further, there is potential decline in sales, profits, output, production, capacity utilization, market share, productivity, cash flows, employment and wages etc. incase anti-dumping duties are terminated.
- iv. The existing anti-dumping duty ranging from 11.78% to 39.99% was imposed w.e.f. July 16, 2009 against dumped imports of Secondary Quality Tinplate from Belgium, France, Germany, Netherlands and USA. At the time during the POI of dumping (2007-2008) the volume of dumped imports was 25,835 MT which was 63.70% of total imports of the investigated product and 45% of the total domestic market. This indicates that the dumped imports reduced due to the imposition of anti-dumping duties.
- v. As per present POI for dumping (April 2013- March 2014) of sunset review period, there are no imports from France and Netherland which were levied anti-dumping duty @ 31.31%, 39.99% respectively. However imports from USA were comparatively higher than Belgium and Germany during April 2013 to March 2014 which may be due to comparatively lower anti-dumping duty of 11.78% on USA.
- vi. As regards domestic industry, it was holding a market share of 30% against 45% share held by the dumped imports during 2007-08. Since then the domestic market has somehow contracted but still domestic industry is holding 27% share in the domestic market against 10.25% share held by dumped imports during April 2013 to March 2014. Had there been no antidumping duty, the dumped imports would have been holding market share much higher than the share of domestic industry.

12. Initiation of the Sunset Review

12.1 The Commission was required to initiate sunset review in this case before expiry of anti-dumping duties i.e. latest by July 15, 2014. However, due to incomplete quorum of the Commission, the sunset review in this case could not be initiated before terminal date of July 15, 2014. A public notice in this regards was published in the national press on July 14, 2014 notifying all interested parties that the sunset review in this case will be initiated on completion the quorum of the Commission.

12.2 Upon examination of the application the Commission established that it met requirements of Section 58(3) of the Act. Therefore, the Commission initiated sunset review in this case on January 15, 2015 to determine whether expiry of the anti-dumping duties imposed on dumped imports of Secondary Quality Tinplate from the Exporting Countries would be likely to lead continuation or recurrence of dumping and injury.

12.3 In terms of Section 27 of the Act, the Commission issued a notice of initiation of the sunset review in this case, which was published in the Official Gazette³ and national press⁴ on January 15, 2015.

12.4 The Commission also notified to the Embassies of the Exporting Countries in Pakistan, by sending a copy of the notice of initiation of the sunset review on January 16, 2015. Copies of notice of initiation were also sent to the exporters and the Applicant on January 16, 2015, in accordance with the requirements of Section 27 of the Act.

12.5 On January 29, 2015 copies of full text of the written application (non-confidential version) were sent to the all known exporters of the Exporting Countries as well as embassies of the Exporting Countries in Pakistan in accordance with Section 28 of the Act.

13. The Product under Review and the Domestic Like Product

13.1 The Product under Review

The product under review is Secondary Quality Tinplate, flat rolled products of iron and non-alloy steel, of width of 600 mm or more, of a thickness of less than 0.5 mm, coated with tin imported into Pakistan from the Exporting Countries (Secondary Quality Tinplate). The basic raw materials used for the production of the product under review are HR coil/tin mill black plate ("TMBP"), tin ingots and

³ The official Gazette of Pakistan (Extraordinary) dated January 15, 2015

⁴ The Daily 'Asas' and the 'News' of January 15, 2015 issue.

chemicals. The product under review is classified under PCT No. 7210.1210. Import of Secondary Quality Tinplate is liable to 20 percent customs duty, 5 percent regulatory duty and 17 percent sales tax. The product under review is primarily used for packaging of edible oils, foodstuff, paints, petroleum products etc.

13.2 Domestic like product

For the purposes of this review the domestic like product is the Secondary Quality Tinplate (Secondary Quality Tinplate) produced by the domestic industry, which is flat rolled products of iron and non-alloy steel, of width 600 mm or more, of a thickness of less than 0.5 mm, coated with tin,. The basic raw materials, used for the production of the domestic like product are the same as of the product under review. It is also classified under the same PCT No. 7210.1210. The domestic like product is also used for same/similar purposes as of the product under review is used.

14. The Like Products

14.1 The Commission in its original investigation had determined that the investigated product and the domestic like product are like products. In order to establish whether the product under review and the domestic like product are like products, as contended by the Applicant, the Commission has reviewed all the relevant information received/obtained from various sources including the Applicant in following terms:

- i. the basic raw materials used in the production of the product under review and the domestic like product are the same namely, HRC/TMBP and chemicals;
- ii. both the products (the product under review and the domestic like product) are produced with a similar manufacturing process;
- iii. both the products have similar appearance;
- iv. both the products are used for same purposes as they are mainly used for packaging of edible oils, foodstuff, paints, petroleum products etc.; and
- v. both the products are classified under the same PCT/HS code No. 7210.1210.

14.2 In light of the above, the Commission has determined that the product under review and the domestic like product are like products.

16. Period of Review (“POR”)

The Commission sought information of last three years from the Applicant and exporters/foreign producers of the Exporting Countries. Therefore, likely continuation or recurrence of dumping and injury is determined on the basis of the data/ information, which covers from April 01, 2011 to March 31, 2014.

15. Interested Parties

The Commission gave an opportunity (through notice of initiation) to all interested parties to participate in this review and register themselves as an interested party with the Commission. Only Tata Steel packaging Netherlands registered themselves as in interested party in this review.

17. Information/Data Gathering

17.1 The Commission sent questionnaires on January 29, 2015 to all known exporters, asking them to respond within 37 days of the dispatch of the questionnaires. The Commission also sent a copy of the questionnaires to the Embassies of Exporting Countries in Islamabad on January 29, 2015 with a request to forward it to exporters/ producers of Secondary Quality Tinplate of their countries. However, no exporter/foreign producer provided requisite information despite repeated reminders (please refer paragraph 18 infra).

17.2 The Commission has an access to the import statistics of Pakistan Revenue Automation Limited (“PRAL”), the data processing arm of the Federal Board of Revenue, Government of Pakistan. For the purpose of this sunset review the Commission has also used import data obtained from PRAL’s database in addition to the information provided by the Applicant.

17.3 Thus the Commission sought from all available sources the relevant data and information deemed necessary for the purposes of determination of likelihood of continuation or recurrence of dumping of Secondary Quality Tinplate and injury to the domestic industry. In terms of Sections 35, 32 of the Act and Rule 12 of the Rules, during the course of this review, the Commission satisfied itself to the accuracy of information supplied by the interested parties to the extent possible.

18. Questionnaire(s) Response by the Exporters

18.1 The Commission sent questionnaires to all known exporter in the Exporting Countries on January 29, 2015, asking them to respond within 37 days of the dispatch of questionnaires. The Commission also sent copy of the questionnaires to the Embassies of the Exporting Countries in Islamabad on January 29, 2015 with a

request to forward it to exporters/producers of Secondary Quality Tinplate in their countries so that the exporters/foreign producers not known to the Commission can also provide information. Only Tata Steel Packaging Netherland responded and stated that *"it's agreed to applicant assertion of no imports of the product subject to antidumping duty during review period from the Netherland"*. However, it did not provide requisite information

18.2 On expiry of the time period given to the exporters to respond the questionnaire, a letter was sent to them on April 06, 2015 explaining that in case of non-response, the Commission would be constrained to make determination of likelihood of continuation or recurrence of dumping of the product under review on the basis of best information available including those contained in the application submitted by the domestic industry, in accordance with Section 32 of the Act and Article 6.8 and Annex II of the Agreement on Antidumping. However, no exporter/foreign producer responded to the Commission.

19. Public File

The Commission, in accordance with Rule 7 of the Rules, established and maintained a public file at its office. This file remains available to the interested parties for review and copying from Monday to Thursday between 1100 hours to 1300 hours throughout the sunset review. This file contains non-confidential versions of the application, responses to the questionnaires, submissions, notices, on-the-spot investigation report, correspondence, and other documents for disclosure to the interested parties.

20. Confidentiality

In terms of Section 31 of the Act, any information, which is marked confidential by the interested parties in their submissions and is considered confidential by the Commission, shall, during and after this sunset review, be kept confidential in accordance with provisions of the Act.

21. Hearing

21.1 In terms of Rule 14 of the Rules, the Commission shall, upon request by an interested party, hold a hearing at which all interested parties may present information and arguments.

21.2 In this review, interested parties were required to make a request for hearing not later than forty-five days after publication of the notice of initiation, however, no request for hearing was received from any interested party in this sunset review, therefore, no hearing was held in this sunset review

22. Written Submissions by the Interested Parties

22.1 All interested parties were invited to make their views/comments and to submit information and documents (if any) not later than 45 days of the date of publication of the notice of initiation of the sunset review.

22.2 The Commission received views of the Government of the United States on January 23, 2015 and from of the European Commission on February 26, 2015 on initiation of the sunset review. M/s TATA Steel, USA also commented on initiation of the sunset review. The Commission has considered views/comments received from above mentioned interested parties while making determination of the sunset review investigation.

23. Disclosure of Essential Facts

23.1 In terms of Rules 14(8) of the Rules, and Article 6.9 of the Agreement on Anti-dumping, the Commission disclosed essential facts to the interested parties, and in this context circulated a statement of essential facts (hereinafter referred to as the "SEF") on July 3, 2015 to the all interested parties.

23.2 Under Rule 14(9) of the Rules, the interested parties were required to submit their comments (if any) on the facts disclosed in SEF, in writing, not later than fifteen days of such disclosure. Only the Applicant submitted views/comments on essential facts, which have been considered in determination of this sunset review.

D. DETERMINATION OF LIKELY CONTINUATION OR RECURRENCE OF DUMPING

24. To determine likelihood of recurrence or continuation of dumping of the product under review, the Commission has considered following factors. Information on these factors has been gathered from different sources including the Applicant, PRAL, and different websites etc.

- i. Whether exporters/foreign producers of the Exporting Countries stopped or continued exporting to Pakistan the product under review after imposition of antidumping duties;
- ii. Likelihood of dumping and calculation of likely dumping margins for exporters/foreign producers of the Exporting Countries;
- iii. Whether exporters of the Exporting Countries have developed other export markets after imposition of antidumping duties; and

- iv. Whether Exporting Countries have exportable surplus of the product under review;

25. Whether Exporters of the Exporting Countries Continued or Stopped Exporting to Pakistan the Product Under Review after Imposition of Duties:

25.1 The Commission has analyzed whether exporters from the Exporting Countries continued or stopped exporting to Pakistan the product under review after imposition of anti-dumping duties. Investigation has revealed that the volume of imports of the product under review from the Exporting Countries to Pakistan declined significantly after imposition of antidumping duties as compared to the imports during the period of investigation (“POI”) of the original investigation. Following table shows the imports of Secondary Quality Tinplate before and after imposition of antidumping duties.

Table-II
Imports of Secondary Quality Tinplate

Year*	Imports from (MT)		Total Imports (MT)
	Dumped sources	Other sources	
2007-08 (Original POI)	34,275 (66%)	17,909 (34%)	52,184
2011-12	250 (2%)	10,044 (98%)	10,294
2012-13	2,496 (14%)	15,772 (86%)	18,268
2013-14	638 (7%)	7,961 (93%)	8,599

* Year is from 1st April to 31st March Source: PRAL

25.2 The above table shows that share of dumped imports of the product under review from the Exporting Countries in total imports of Secondary Quality Tinplate drastically declined after imposition of antidumping duties. Share of dumped imports of the product under review, which was 66 percent of total imports of Secondary Quality Tinplate during the original POI reduced to 2 percent of total imports in the year 2011-12. The share of dumped imports of the product under review increased to 14 percent and again reduced to 7 percent of total imports of Secondary Quality Tinplate during 2012-13 and 2013-14 respectively due to drastic reduction in total imports.

25.3 Imports of Secondary Quality Tinplate from other sources also declined during the POR. Analysis of the information shows that total imports of Secondary Quality Tinplate also declined drastically from 52,184 MT in 2007-08 (the original POI) to 8,599 MT in the year 2013-14. This decline in imports is due to reduction in demand/domestic market of Secondary Quality Tinplate due to shift in packaging of edible oils and petroleum lubricant oils etc. from tin packaging to plastic packaging.

25.4 On the basis of the above information and analysis, the Commission has reached the conclusion that although dumped imports of the investigated product (now the product under review) from the Exporting Countries declined after imposition of antidumping duties but main reason for decline in imports of the

Secondary Quality Tinplate was decline in domestic demand. Therefore, there is no likelihood of recurrence of dumped imports of the product under review if antidumping duties imposed on it are terminated.

26. Determination of dumping and calculation of dumping margins for exporters/foreign producers of the Exporting Countries

26.1 In terms of Section 4 of the Act dumping is defined as follows:

“An investigated product shall be considered to be dumped if it is introduced into the commerce of Pakistan at a price which is less than its normal value”.

26.2 Normal Value

Section 5 of the Act defines normal value as “a comparable price paid or payable, in the ordinary course of trade, for sales of a like product when destined for consumption in an exporting country”. However, Section 6(1) of the Act states as follows:

“(1) when there are no sales of like product in the ordinary course of trade in domestic market of an exporting country, or when such sales do not permit a proper comparison because of any particular market situation or low volume of the sales in the domestic market of the exporting country, the Commission shall establish normal value of an investigated product on the basis of either:

- “(a) the comparable price of the like product when exported to an appropriate third country provided that this price is representative; or*
- “(b) the cost of production in the exporting country plus a reasonable amount for administrative, selling and general costs and for profits.”*

26.3 As stated earlier (paragraphs 17.1 and 18 supra) that the exporters from the Exporting Countries did not respond to the Commission’s questionnaire and have not provided requisite information for the purposes of this review. Therefore, the Commission was constrained to use best information available to determine dumping margin of the product under review in accordance with Section 32 of the Act.

26.4 Normal Value of the Product Under Review:

26.4.1 As stated above (paragraph 26.3) exporters of the product under review did not provide requisite information, which is necessary for determination of normal value. Therefore, the Commission has determined normal value of the product under review on the basis of best information available under Section 32 of the Act.

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26.4.2 To determine normal value, the information on exports of tinplate of the Exporting Countries is obtained from ITC’s website www.trademap.org. The likely normal value of the product under review is determined on the following basis:

- i. As European Union (EU) is a single market, therefore, prices of the tinplate exported/sold by the Belgian, French, German and Dutch exporters/producers within EU are considered as their domestic prices.
- ii. To reach at ex-works level the prices obtained from ITC’s website are reduced by 10 percent on account of freight and other handling cost within EU.
- iii. Prices obtained from ITC’s website are for prime quality tinplate, therefore, these prices are adjusted downward to reach at price of Secondary Quality Tinplate (the product under review). For this purpose, the price of prime quality tinplate sold within EU during 2014 is reduced by 20 percent to arrive at the price of Secondary Quality Tinplate. The 20 percent threshold is based on the Customs valuation ruling, which states: “..... *that presently the minimum value of ETP is US\$ 1200 PMT which can be reduced by 10 – 20% in order to arrive at the value of secondary ETP.*”
- iv. Likely normal value for the U.S exports of the tinplate is determined on the basis of its exports to China during 2014. Information on US exports of tinplate is also obtained from ITC’s website. Analysis of the information shows that US exports to China is at fair price as it is in the same range at which European exporters are exporting to China. To arrive at price of the Secondary Quality Tinplate, the export price is reduced by 20 percent on the basis narrated above. To arrive at ex-works level, the price is further adjusted by 10 percent on account of freight and handling costs.

26.4.3 The normal values on the above mentioned basis for the Exporting Countries are worked out as follows:

**Table-III
Normal Value (US\$/MT)**

Exporting Country	Gross price	Adjustments	Adjusted price
Belgium	****	***	***
France	****	***	***
Germany	****	***	***
Netherlands	****	***	***
United States	****	***	***

Sources: www.trademap.org and the Pakistan Customs Valuation

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26.5 **Export Price of the Product Under Review:**

As stated earlier no exporter has provided requisite information in response to the questionnaire, therefore, export price is determined on the basis of the best information available in accordance with Section 32 of the Act. For this purpose the information submitted by the Applicant and obtained from PRAL is used. On the basis of that information export price of the product under review is established as follows:

**Table-IV
Export Price of the Product Under Review**

Exporting Country	(US\$/MT)
Belgium	***
France	***
Germany	***
Netherlands	***
United States	***

Sources: PRAL and the Applicant

26.6 **Dumping Margins of the Product Under Review:**

26.6.1 The Act defines “dumping margin” in relation to a product as “*the amount by which its normal value exceeds its export price*”.

26.6.2 Taking into account requirements of the Act dumping margins for the Exporting Countries worked out as follows:

**Table-V
Dumping Margins**

Exporting Country	Normal Value (US\$/MT)	Export price (US\$/MT)	Dumping Margin (\$/MT)
Belgium	***	***	265
France	***	***	247
Germany	***	***	85
Netherlands	***	***	253
United States	***	***	248

26.7 On the basis of above information and analysis the Commission has reached the conclusion that although there is likelihood of continuation or recurrence of dumping of the product under review if antidumping duties imposed on it are terminated, however, there is no likelihood of increase in imports of the product under review as imports from all sources have declined drastically during last five years due to change in packaging from tinplate to plastic packaging (paragraph 25 supra).

27. Whether Exporters of the Exporting Countries have Developed Other Export Markets after Imposition of Antidumping Duties

27.1 To assess impact of antidumping duties on the exporters and to assess whether there is change in pattern of exports, the trend of exports of the Exporting Countries of the product under review is analysed. Following table shows exports of the Exporting Countries of tinplate (of both prime and secondary, as separate information for secondary tinplate is not available) during the original POI and 2014. The information on exports of the Exporting Countries to other countries has been obtained from International Trade Centre (www.trademap.org):

**Table-VI
Major Export Markets of the Exporting Countries**

Exporting Country	2009		2014	
	Importing country	Quantity (MT)	Importing country	Quantity (MT)
Belgium	South Africa	48927	Italy	41064
	Turkey	30690	Germany	38132
	Australia	29686	India	24040
	Netherlands	25555	France	21336
	Pakistan	5180	Pakistan	1704
	Total Exports	291522	Total Exports	219927
France	Italy	86147	Italy	74763
	Germany	39674	Germany	55288
	Netherlands	36317	Netherlands	23863
	Egypt	28368	Denmark	11246
	Pakistan	0	Pakistan	5
	Total Exports	355002	Total Exports	274286
Germany	Spain	103824	Spain	105915
	U.S	19133	U.S	85554
	France	89167	France	75967
	United Kingdom	66944	United Kingdom	67813
	Pakistan	2723	Pakistan	2380
	Total Exports	729968	Total Exports	751068
Netherlands	U.S	60948	U.S	257105
	Italy	50937	Italy	73604
	Denmark	33408	Denmark	61971
	Belgium	32952	Belgium	13993
	Pakistan	0	Pakistan	0
	Total Exports	371019	Total Exports	658232

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USA	India	61788	India	27091
	Pakistan	20996	Pakistan	16101
	Italy	19684	Italy	8192
	Canada	40899	Canada	5687
	Spain	253	Spain	4791
	Total Exports	196401	Total Exports	95559

Source: www.trademap.org

27.2 The above table shows that major export destinations of the exporting countries remained same/ similar after imposition of anti-dumping duties, however, there is no likelihood of increase in imports of the product under review as imports from all sources have declined drastically during last five years due to change in packaging from tinplate to plastic packaging (paragraph 25 supra).

28. Whether Exporting Countries have exportable surplus of the product under review:

28.1 To assess likely recurrence of dumping of the product under review, the Commission asked (through sending questionnaires) exporters/ foreign producers of the product under review in the Exporting Countries for the information on their production, domestic and export sales, installed production capacities, and inventories etc. before and after imposition of antidumping duties and any potential change in future. As no exporter/foreign producer has provided information in this sunset review, therefore, the Commission has relied on best information available to assess exportable surplus of the exporting countries. For this purpose, the information obtained from International Trade Centre (www.trademap.org) on exports of tin plate of both prime and secondary quality (as separate information for secondary tinplate is not available) of the Exporting Countries is used. Following table shows exports of tinplate of the Exporting Countries before and after imposition of antidumping duties:

**Table-VII
Export of the Exporting Countries**

Exporting Country	Quantity of Exports (MT)	
	2009	2014
Belgium	291522	219927
France	355002	274286
Germany	729968	751068
Netherlands	371019	658232
USA	196401	95559

Source: www.trademap.org

28.2 The above table shows that, except Germany and the Netherlands, exports of all other exporting countries dropped in 2014 as compared to 2009. Therefore, it

is concluded that the Exporting Countries have export surplus, which is an indication of likelihood of recurrence of dumping of the product under review if antidumping duties imposed on dumped imports of the Secondary Quality Tinplate from the Exporting Countries are terminated. However, there is no likelihood of increase in imports of the product under review as imports from all sources have declined drastically during last five years due to change in packaging from tinplate to plastic packaging (paragraph 25 supra).

29. **Summing up of Likelihood of Continuation or Recurrence of Dumping of the Product Under Review**

On the basis of information and analysis at paragraphs from 24 to 28 supra the Commission has reached the conclusion that although there is likelihood of continuation or recurrence of dumping of the product under review, however, there is no likelihood of increase in imports of the product under review as imports from all sources have declined drastically during last five years due to change in packaging from tinplate to plastic packaging (paragraph 25 supra).

E. **DETERMINATION OF LIKELIHOOD OF RECURRENCE OR CONTINUATION OF INJURY TO THE DOMESTIC INDUSTRY**

30. **Applicant's View Point**

The Applicant has stated in their application that the domestic industry will face price under cutting in case anti-dumping duties are removed, which will likely to lead to price depression and price suppression. Further, there is potential decline in sales, profits, output, production, capacity utilization, market share, productivity, cash flows, employment and wages etc. incase anti-dumping duties are terminated. Further, the domestic industry was holding a market share of 30% against 45% share held by the dumped imports during 2007-08. After imposition of antidumping duties the market share of the domestic industry increased considerably. However, if antidumping duties are terminated on dumped imports of the product under review, it will affect negatively to the market share of the domestic industry.

31. **Analysis of the Likely Continuation or Recurrence of Injury:**

To determine likelihood of continuation or recurrence of injury to the domestic industry, the Commission has considered following factors:

- i. Likely change in volume of imports of the product under review if antidumping duties are terminated;

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- ii. Likely impact of imports of the product under review on prices of the domestic like product with and without antidumping duties; and
- iii. Consequent likely impact on the Applicant, which includes likely and potential decline in sales, profits, output, market share, productivity, return on investment, capacity utilization and likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital or investments.

32. Likely Volume of Dumped Imports and Domestic Production

32.1 The information obtained from PRAL shows that after imposition of anti-dumping duties there was significant decline in imports of Secondary Quality Tinplate from the Exporting Countries. Following table shows quantity of Secondary Quality Tinplate imports from dumped and other sources:

**Table- VIII
Imports of Secondary Quality Tinplate**

Year*	Imports from:		Total Imports	Domestic Production
	Dumped Sources	Other sources		
2007-08 (Original POI)	84.09	43.94	128.02	100.00
2011-12	0.61	24.64	25.67	28.35
2012-13	6.12	38.69	44.82	29.39
2013-14	1.57	19.53	21.10	8.81

* Year is from April 1, to March 31.

Source: PRAL and the Applicant

Note: To maintain confidentiality actual figures have been indexed with respect to domestic production in the year 2007-08 by taking it equal to 100

32.2 The above table shows that the import from dumped sources reduced significantly after imposition of antidumping duties. The dumped imports declined from 84.09 during original POI (2007-08) to 1.57 in 2013-14. However, dumped imports of the product under review increased in 2012-13, this increase was due to increase in domestic market/demand, which increased by 59 percent during this year (paragraph 35 infra).

32.3 Imports of Secondary Quality Tinplate from sources other than the dumped sources also declined significantly during the POR as compared to the original POI. Production of the domestic like product also declined significantly after imposition of antidumping duties on dumped imports of the investigated product. The domestic production of the domestic industry decreased significantly from 100 during original POI to 8.81 during 2013-14.

32.4 Supply of Secondary Quality Tinplate has declined significantly from all the three sources (dumped, others and domestic industry) after imposition of

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antidumping duties, which indicated decline in domestic demand of the Secondary Quality Tinplate.

34.5 On the basis of above information and analysis the Commission has observed that the production of the domestic like product declined significantly despite imposition of antidumping duties. Therefore, it is concluded that termination of antidumping duties will not likely affect adversely to the production of the domestic like product.

33. Likely Effects on Market Share

33.1 The domestic market share in the original investigation and of the review period is given in the table below.

**Table- IX
Domestic Market of Secondary Quality Tinplate**

Year	Domestic industry's sales	Imports from:		Total Domestic market
		Dumped Sources	Other sources	
2007-08 (Original POI)	24.66 (25%)	49.48 (49%)	25.85 (26%)	100.00
2011-12	13.44 (48%)	0.36 (1%)	14.50 (51%)	28.30
2012-13	18.69 (41%)	3.60 (8%)	22.77 (51%)	45.06
2013-14	5.23 (30%)	11.49(5%)	11.49 (65%)	17.64

Note: To maintain confidentiality actual figures have been indexed with respect to total domestic market in the year 2007-08 by taking it equal to 100

33.2 The above table shows that there was significant decline in domestic market of the Secondary Quality Tinplate after imposition of the antidumping duties. The domestic market which was 100 during the original POI (2007-08) reduced to 17.64 during 2013-14, a decline of 82 percent over this period. This decline in domestic market is due to change in packaging from tinplate to plastic packaging.

33.3 In reduced domestic market, the sales of the domestic industry declined by 79 percent from 2007-08 to 2013-14, imports of the product under review declined by 98 percent and imports of Secondary Quality Tinplate from other sources declined by 56 percent during the same period.

33.4 Domestic industry's market share increased from 25 percent during the original POI to 48 percent 2011-12 and then declined to 41 percent and 30 percent during 2012-13 and 2013-14 respectively. Domestic industry's market share declined by 7 percent in the year 2012-13 despite the fact that the domestic market increased significantly (59%) during this year. Market share of the dumped imports which was 49 percent during the original POI declined to one percent in 2011-12, 8 percent in 2012-13 and 5 percent during 2013-14. The market share of imports from

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other sources increased from 26 percent in original POI to 51 percent in 2012-13 and 65 percent in 2013-14.

33.5 Based on the above information and analysis the Commission has observed that domestic market of the Secondary Quality Tinplate has declined significantly during last five years as tin packaging of oils and eatables has been replaced by plastic packaging. Therefore, the domestic industry was not able to take benefits of imposition of antidumping duties on dumped imports of the product under review.

33.6 Keeping in view the above information and analysis the Commission has concluded that termination of antidumping duties will not likely affect adversely to the market share of the domestic like product.

34. Likely Price Effects

During the original POI, the domestic industry faced price undercutting, price suppression and price depression due to dumped imports of the investigated product. After imposition of antidumping duties dumped imports of the investigated product declined significantly not only due to imposition of duties, but also because of decline in domestic market. Price effects of the product under review are assessed in the following paragraphs.

34.1 Likely Price Undercutting

34.1.1 Weighted average ex-factory price of the domestic like product has been calculated from the information submitted by the Applicant on quantity and value of sales during POR. Landed cost of the product under review has been calculated from the information obtained from PRAL. Comparison of weighted average ex-factory price of the domestic like product with the weighted average landed cost of the investigated product under review during the POR is given in following table below.

**Table-X
Price Under-cutting**

Year*	Applicant's price	Landed Cost of dumped:		Price under-cutting	
		With anti-dumping Duty	Without anti-dumping duty	With anti-dumping Duty	Without anti-dumping duty
2007-08 (Original POI)	100.00	-	83.83	-	16.17%
2011-12	152.71	185.46	169.13	-	-
2012-13	154.71	208.77	186.74	-	-
2013-14	154.40	192.67	176.84	-	-

* Year is from 1st April to 31 March.

Sources: The Applicant and PRAL

Note: To maintain confidentiality actual figures have been indexed with respect to Applicant's price in the year 2007-08 by taking it equal to 100

34.1.2 The above table shows that the landed cost of the product under review was above the price of the domestic like product even without incidence of the antidumping duties.

34.1.3 On the basis of the above information and analysis the Commission has concluded that there no likelihood of price undercutting if antidumping duties imposed on imports of the product under review are terminated.

34.2 Likely Effect on Price Suppression

34.2.1 Information regarding weighted average cost of cost to make and sell and ex-factory price of domestic like product during the last three years is given in the following table:

**Table-XI
Price Suppression**

Year	Cost to make and sell	Ex-factory price	Price Suppression		
			Increase/ (decrease) in cost	Increase/ (decrease) in price	Price suppression
2011-12	100.00	91.55			
2012-13	100.21	92.75	0.21	1.20	
2013-14	106.06	92.56	5.85	-0.19	5.85

* Year is from 1st April to 31 March.

Sources: The Applicant

Note: To maintain confidentiality actual figures have been indexed with respect to Applicant's cost to make and sell in the year 2011-12 by taking it equal to 100

34.2.2 The above table shows the domestic industry experienced increase in cost to make and sell during 2013-14 and faced price suppression. However, analysis of the information has shown that this price suppression was not due to imports of the product under review as its landed cost was above than the cost to make and sell of the domestic like product during this year (paragraph 34.1 supra).

34.2.3 Based on the above information and analysis, the Commission has concluded that there is no likelihood of price suppression if antidumping duties on imports of the product under review are terminated.

34.3 Price Depression

34.3.1 Weighted average ex-factory price of the domestic like product during the last three years is given in the table below:

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**Table-XII
Price Depression**

Year	Ex- factory price	Price Depression
2011-12	100.00	
2012-13	101.31	
2013-14	101.10	0.21

Note: To maintain confidentiality actual figures have been indexed with respect to ex-factory price in the year 2011-12 by taking it equal to 100

34.3.2 The above table shows that there is an overall increase in the average ex-factory price of domestic like product during the POR. Further, there is no pressure on price of the domestic like product due to landed cost of the product under review as its landed cost, with and without antidumping duty, is higher than the domestic price (paragraph 34.1 supra).

36.2.3 On the basis above information and analysis the Commission has concluded that there is no likelihood of price depression to the domestic industry if antidumping duties imposed on imports of the product under review are terminated.

35. Likely Effects on Capacity Utilization

35.1 The installed capacity, production and the capacity utilization of the domestic industry during the POR and the original POI are given in the table below. As the both, prime quality and Secondary Quality Tinplate are produced on the same line of production, therefore, capacity utilization of both types of tinplate is provided below:

**Table-XIII
Production and Capacity Utilization**

Year	Installed Capacity (MT)	Capacity Utilization
2007-08 (Original POI)	120,000	47%
2011-12	120,000	20%
2012-13	120,000	24%
2013-14	120,000	16%

* Year is from 1st April to 31st March Source: the Applicant

35.2 It is evident from the above table that the domestic industry was utilizing 47% of its installed capacity during the original POI. During the POR its capacity utilization in case of Secondary Quality Tinplate declined considerably i.e. from 34

percent during original POI to 3 percent in 2013-14 despite imposition of antidumping duties.

35.3 The domestic industry could not improve on account of capacity utilization on both prime and secondary quality tin plate despite the imposition of the anti-dumping duties on imports of the product under review because of the fact of changed packaging pattern from tinplate to plastic packaging. Therefore, on the above basis the Commission has concluded that there is no likelihood of negative effect on production and capacity utilization of the domestic industry if antidumping duties imposed on imports of the product under review are terminated.

36. Likely Effects on Profits

36.1 The Profit/(loss) on account of Secondary Quality Tinplate during original POI and POR are given in the table below:

Table-XIV

Year	Net Profit /(Loss)
2007-08 (Original POI)	100.00
2011-12	(104.68)
2012-13	(128.47)
2013-14	(60.62)

Note: Actual figures have been indexed with respect to profits in the year 2011-12 by taking it equal to 100 to maintain confidentiality.

36.2 The above table shows that the domestic industry was earning profits during original POI, however, it incurred losses during the POR despite imposition of antidumping duties imposed on imports of the product under review.

36.3 Based on the above information and analysis the Commission has concluded that there is no likelihood of further negative effect on profits of the domestic industry if antidumping duties imposed on imports of the product under review are terminated.

37. Likely Effects on Inventories

37.1 The inventory position of the domestic industry of the Secondary Quality Tinplate is given in the Table below.

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**Table-XV
Inventories of the Secondary Quality Tinplate**

Year	Opening Inventory	Closing Inventory
2011-12	100.00	332.54
2012-13	332.54	232.44
2013-14	232.44	228.91

Note: Actual figures have been indexed with respect to opening inventory in the year 2011-12 by taking it equal to 100 to maintain confidentiality.

37.2 The above table shows that the inventories of the Applicant decreased during the POR due to decline in production. The Commission has observed that decline in inventories during the POR was not an effect of imposition antidumping duties on imports of the investigated product. Therefore, the Commission has concluded that there is no likelihood of negative effects on inventories of the domestic industry if antidumping duties imposed on imports of the product under review are terminated.

38. Likely Effects on Employment, Productivity, Salaries & Wages

As stated earlier that the same plant is used for production of the prime quality as well as Secondary Quality Tinplate (Secondary Quality Tinplate) by the Applicant, therefore, employees cannot be segregated for production of the product under review (Secondary Quality Tinplate). Hence, no likely effect on productivity, employment and salaries and wages of termination of antidumping duties of the product under review can be derived.

39. Likely Effect on Return on Investment

As stated earlier that the same plant and machinery is used for production of prime quality as well as Secondary Quality Tinplate (Secondary Quality Tinplate) by the Applicant, therefore, investment and return on investment for Secondary Quality Tinplate cannot be segregated and no likely effect on investment and return on investment for Secondary Quality Tinplate of the termination of antidumping duties on the product under review can be derived

40. Likely Effects on Cash flow

The domestic industry is a multi-product industry and is involved in the production of prime quality tinplate, Secondary Quality Tinplate, tin cans and printing. The Applicant does not maintain separate cash flow for each product. Therefore, no likely effect of termination of antidumping duties on the product under review can be derived

41. Likely Effects on Growth

41.1 As stated that earlier domestic market of Secondary Quality Tinplate has significantly reduced during last five years, therefore no growth in domestic industry can be expected in this situation. Further, domestic industry's installed capacity is much higher than the domestic demand.

41.2 In view of the above the Commission has concluded that there is no likelihood of negative effects on growth of the domestic industry if antidumping duties imposed on imports of the product under review are terminated.

F Summing up Likelihood of Recurrence or Continuation of Injury to the Domestic Industry

42. On the basis of the information, analysis and findings in the foregoing paragraphs the Commission has reached the conclusion that termination of antidumping duties imposed on imports of the product under review from the Exporting Countries will not lead to likely continuation or recurrence of the material injury to the domestic industry due to dumped imports of the product under review because of the following:

- i. Production and sales of the domestic like product has significantly declined despite imposition of antidumping duties on imports of the product under review, as a result of significant decline in the market of Secondary Quality Tinplate due to replacement of tin packaging with plastic packaging.
- ii. There are no likely adverse effects on prices of the domestic industry due to imports of the product under review as its landed cost is above the price of the domestic industry with and without incidence of the antidumping duties.
- iii. Domestic industry's production, capacity utilization, sales and market share and profits have declined despite the antidumping duties were in place during the POR.

G. CONCLUSIONS

43. After taking into account all information, data/information, analysis and findings the Commission has reached on the following conclusions:

- i. The domestic industry filed an application for sunset review of the antidumping duties imposed on imports of Secondary Quality Tinplate from the Exporting Countries within prescribed time period in

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accordance with Section 58(3) of the Act in response to the notice of impending expiry of the antidumping duties.

- ii. The application was filed by the domestic industry representing 100 percent of the domestic production of Secondary Quality Tinplate, therefore, it met standing requirements of Section 24 of the Act.
- iii. In terms of Section 58(3) of the Act, the Commission was required to initiate sunset review in this case before expiry of definitive antidumping duties imposed on dumped imports of Secondary Quality Tinplate from the Exporting Countries. However, sunset review was not initiated before expiry of the definitive antidumping duties due to quorum of the Commission. However, a notice in this regards was published in press notifying all interested parties that the sunset review in this case will be initiated on completion of the quorum of the Commission.
- iv. No exporter/foreign producer from the Exporting Countries provided requisite information. Therefore, likelihood of recurrence or continuation of dumping of the product under review is determined on the basis of best information available in accordance with Section 32 of the Act.
- v. There is likelihood of recurrence or continuation of dumping of the product under review from the Exporting Countries if antidumping duties imposed on dumped imports of the product under review are terminated. However, there is no likelihood of increase in imports of the product under review as imports from all sources have declined drastically during last five years due to replacement of tin packaging with plastic packaging (paragraph 25 supra).
- vi. Termination of antidumping duties imposed on imports of the product under review from the Exporting Countries will not lead to likely continuation or recurrence of the material injury to the domestic industry because of the following:
 - a. Production and sales of the domestic like product has significantly declined despite imposition of antidumping duties on imports of the product under review, as a result of decline in the domestic market of Secondary Quality Tinplate due to replacement of tin packaging by the plastic packaging.
 - b. There are no likely adverse effects on prices of the domestic industry due to imports of the product under review as its landed cost is above the price of the domestic industry with and without incidence of the antidumping duties.

- c. Domestic industry's production, capacity utilization, sales and market share and profits have declined despite the antidumping duties were in place during the POR.

H. CAUSAL LINK

44. On the basis of the fore-going information, analysis and conclusions the Commission has concluded that there is no causal relationship between likely recurrence or continuation of dumped imports of the product under review from the Exporting Countries and likely recurrence or continuation of material injury to the domestic industry. It transpired from this sunset review that the domestic industry is not likely to suffer material injury due to dumped imports of the product under review in case antidumping duties imposed on imports of the Secondary Quality Tinplate are terminated. Rather, the injury being faced by the domestic industry is due to other factors such as:

- Contraction in demand
- Changes in the patterns of consumption i.e. from tin packaging to plastic packaging
- Developments in packaging technology etc.

I TERMINATION OF DEFINITIVE ANTIDUMPING DUTIES

45. In terms of Section 58(3) of the Act, definitive anti-dumping duties shall not expire if the Commission determines in the review that the expiry of such antidumping duties would be likely to lead to continuation or recurrence of dumping of the product under review and material injury to the domestic industry. As the Commission has determined in this review that there is no likelihood of material injury to the domestic industry due to imports of the Secondary Quality Tinplate from the Exporting Countries, therefore, the antidumping duties imposed on imports of the Secondary Quality Tinplate from the Exporting Countries are terminated with effect from January 11, 2016.

(Shah Jahan Shah)
Member
January 07, 2016

(Niamat ullah Khan)
Member
January 07, 2016

(Muhammad Abbas Raza)
Chairman
January 07, 2016