

A.D.C No. 12/2006/NTC/PSF
National Tariff Commission

Notice of Final Determination and levy of Definitive Anti-dumping Duty on import of PSF into Pakistan Originating in and/or Exported from the Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand

The National Tariff Commission (the “Commission”) initiated an anti-dumping investigation on August 09, 2006 under Section 23 of the Anti-Dumping Duties Ordinance, 2000 (the “Ordinance”) after establishing that the application lodged by 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 Republic of Indonesia, the Republic of Korea and the Kingdom of Thailand (the “Exporting Countries”) into Pakistan. The Commission made a preliminary determination in this case in terms of Section 37 of the Ordinance and a provisional anti-dumping duty was levied on imports of PSF from the Exporting Countries at the rate ranging from 0% to 8.33% with effect from February 09, 2006. In accordance with the Ordinance and the Anti-Dumping Duties Rules, 2001 (the “Rules”), the Commission has made its affirmative final determination as follows:

Exporters and Foreign Producers: The Applicant identified 12 exporters involved in alleged dumping of PSF from the Exporting Countries with complete addresses of 10 exporters/foreign producers. However, the Applicant requested the Commission for imposition of anti-dumping duty on all imports of PSF from the Exporting Countries. In terms of Section 27 of the Ordinance, the Commission, upon initiation, forwarded a copy of Notice of Initiation directly to all exporters/producers of PSF based in the Exporting Countries whose addresses were available. The Commission also forwarded the Notice of Initiation to the Embassies of the Exporting Countries in Islamabad with a request to forward the same to all exporters/producers of PSF in their countries in order to respond to the Commission. In response to the questionnaires, 5 exporters/foreign producers responded.

Product Under Investigation: PSF exported by the exporters from the Exporting Countries is the product under investigation (the “investigated product”). It is classified under Pakistan Customs Tariff (PCT) Nos. 5503.2010 (PCT heading in Pakistan is equivalent to Harmonized Commodity Description and Coding System under Brussels nomenclature upto six digit level).

Like Product: In terms of Section 2 of the Ordinance, the examination revealed that the investigated product and PSF produced by the domestic industry are produced with similar manufacturing process, and with the same raw materials. Both have the same physical characteristics, usage, and tariff classification. Thus it is established that both the products are “like products”.

Period of Investigation (“POI”):

Investigation of dumping	From April 1, 2005 to March 31, 2006
Investigation of injury	From April 1, 2003 to March 31, 2006

Determination of Normal Value and Export Price: The normal value and the export price of the investigated product exported by the exporters from the Exporting Countries have been determined in accordance with Part III and Part IV of the Ordinance respectively.

For the exporters who did not either respond to the Commission Notice of Initiation or did not provide the requisite information, normal value and export price have been determined on the basis of best available information pursuant to Section 32 of the Ordinance.

Dumping Margin: The 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 of export prices of all comparable export transactions at ex-factory level.

Dumped Imports: Volume of dumped imports increased by 11.78 times in the year 2005-06 (POI for dumping) over the imports of PSF in the year 2004-05 from the Exporting Countries. Production of the domestic like product in Pakistan decreased by 9.19% in the same period.

Injury to the Domestic Industry: Injury to the domestic industry has been determined in accordance with Part VI of the Ordinance. The Commission has established that the domestic industry suffered material injury on account of significant increase in dumped imports in absolute as well as relative to the domestic production of PSF, price undercutting; price suppression; negative effects on production and capacity utilization, loss in market share and sales; negative effects on productivity, decline in profit, decrease in return on investment in terms of Section 15 and 17 of the Ordinance.

Injury Factors other than Dumped Imports: The Commission also examined whether there were factors other than dumped imports, which were causing injury to the domestic industry during the POI and the findings reveal that the factors other than dumped imports were not the main cause of injury to domestic industry.

Imposition of Definitive Anti-dumping Duty: In reaching this affirmative final determination, the Commission is satisfied that the investigated product has been imported into Pakistan at dumped prices. This has caused material injury to domestic industry during the POI. Therefore, the Commission, pursuant to the powers conferred upon it under Section 50 of the Ordinance, has decided to impose definitive anti-dumping duties on PSF importable from the Exporting Countries as given in the following table for a period of five years effective from February 09, 2006. The anti-dumping duty rates are determined on C&F value in *ad val* terms and are set out as under:

S.No	Exporter Name	Anti-dumping duty rate (%)
1	P.T Indorama Synthetics Tbk. Limited, Graha Irama, 17 th Floor, Jl. H.R. Rasuna Said, Blok X-1, Kav 1-2, Jakarta, Indonesia	0.00
2	PT Polysindo Eka Perkasa Terbuka, Desa Kiara Payung Kecamatan Klari, Karawang Timur 41300, Indonesia	5.04
3	All other exporters from Indonesia	5.04
4	Huvis Corporation, 151-7 Samsung-Dong, Gangnam-GU, Seoul, Korea	0.00
5	All other exporters from Korea	2.14
6	Thai Polyester Co., 34 Moo 1 Bangkuntien-Chaitalay Road, Samaedum, Bangkuntien, Bangkok, Thailand	4.34
7	Kangwal, 1426/18 - 20 Krungkasem Rd. Soi Yossae, Pomprab Bangkok, Thailand	8.32
8	All other exporters from Thailand	10.26

The definitive anti-dumping duties shall be held in a Non-lapsable PLD Account No. 187, titled "National Tariff Commission", with Federal Treasury Office Islamabad, established and maintained by the Commission for the purpose. The anti-dumping duties would be collected in the same manner as customs duty under the Customs Act, 1969 (IV of 1969) and would be in addition to taxes and duties due otherwise under any other law.

Refund: In terms of Section 55(2) of the Ordinance, if the definitive anti-dumping duty is lower than the amount of provisionally determined dumping margin, the difference shall be refunded by the Commission. The Commission, informs all importers of investigated product to send their request for the refund of deferential, if any, to the Secretary, National Tariff Commission, State Life Building No. 5, Blue Area, Islamabad within thirty days of publication of this notice.

Disclosure meeting: Pursuant to Rule 16 of the Rules, the exporters/foreign producers of the investigated product 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 final determination shall be placed on public file established and maintained by the Commission. 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 investigation, for review and copying at the offices of the Commission, from Monday to Thursday between 1100 hrs to 1300 hrs.

Authority Under Law

This investigation has been conducted under the Ordinance (No. LXV of 2000). This notice is published pursuant to Sections 39 and 50 of the Ordinance by Order of the Commission

(Omer Moin Chaudhry)

Director

June 07, 2007