

Notification

Preliminary Determination Against Alleged Dumped Imports of Phthalic Anhydride into Pakistan Originating in and/or Exported From Brazil, China, Indonesia, South Korea and Taiwan

The National Tariff Commission (the "Commission") initiated an anti-dumping investigation against alleged dumping of Phthalic Anhydride ("PA") from Brazil, China, Indonesia, South Korea and Taiwan (hereinafter collectively referred to as "Exporting Countries"), on May 29, 2009 under Section 23 of the Anti-Dumping Duties Ordinance, 2000 (the "Ordinance"). The investigation was initiated after establishing that the application lodged by Nimir Chemicals Pakistan Limited, (the "Applicant") manufacturing PA, was in accordance with Sections 20 and 24 of the Ordinance. The Commission made a preliminary determination in this case in terms of Section 37 of the Ordinance, on the basis of information available with the Commission at the time. In accordance with the Ordinance and the Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has made preliminary determination as follows:

Exporters and Foreign Producers:

The Applicant identified seventeen exporters/producers of PA involved in alleged dumping of PA from the Exporting Countries. However, the Applicant requested the Commission for imposition of anti-dumping duty on all imports of PA 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 PA 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 PA in their countries in order to respond to the Commission. In response to the questionnaire, only one exporter/foreign producer (i.e. PT Petrowidada, Indonesia) responded.

Product under Investigation:

The product allegedly being dumped into Pakistan is PA originating in and/or exported from the Exporting Countries and is classified under Pakistan Customs Tariff classification number 2917.3500 (the "investigated product"). Basic raw material used for the production of the investigated product is Orthoxylene. PA is an industrial input used in Plasticizers, Alkyed Resins, Polyester Resins, Dyes and Pigments, etc.

Like Product: In terms of Section 2 of the Ordinance, the examination of the information gathered during the investigation revealed that the investigated product and PA produced by the domestic industry (domestic like product) are manufactured with same/similar raw materials and manufacturing processes. 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):

For determination of dumping and injury, the POI is as follows:

For determination of dumping:	From January 01, 2008 to December 31, 2008
For determination of material injury:	From January 01, 2006 to December 31, 2008

Determination of Dumping:

Normal value and export price of the investigated product for the exporters/producers from the Exporting Countries except for Indonesia has been determined on the basis of best available information pursuant to Section 32 and Schedule to the Ordinance. However, dumping margin for Indonesian producer of PA i.e. PT Petrowidada has not been determined, as certain discrepancies have been found in the data provided by PT Petrowidada and obtained from Pakistan Revenue Automation Limited (PRAL). The Indonesian producer i.e. PT Petrowidada has been asked to remove the discrepancies in the data relating to its export sales to Pakistan during the POI, reply to which is still awaited. The Commission would determine the dumping margin for PT Petrowidada, Indonesia in the final determination.

Dumping Margin:

The dumping margins for exporters/producers from the Exporting Countries (except Indonesia) have been determined on the basis of the best information available with the Commission at this stage. Dumping margins expressed as percentage of weighted average C&F export price for exporters/producers from the Exporting Countries (except Indonesia) are given below:

Exporting Countries	Dumping Margin as % of Export Price
Brazil	6.17
China	11.84
South Korea	7.36
Taiwan	27.28

Determination of Material Injury:

As the Commission has not determined dumping margin for PT Petrowidada (Indonesian producer of PA), therefore, it can not determined the volume of dumped imports and consequent effects of such imports on prices of domestic industry and other injury factors. Furthermore, the Commission is collecting data/information on threat of injury to the domestic industry to determine the threat of material injury. Therefore, injury to the domestic industry would be determined once it is determined whether imports from PT Petrowidada during the POI were at dumped prices and/or whether threat of injury exists for the domestic industry. The Commission is, therefore, constrained not to make a determination of dumping of investigated product and injury to the domestic industry producing domestic like product in this preliminary determination.

Hearing: Any party registered as an interested party in this case 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. +92-51-9205944, Fax No.+92-51-9221205.

Public File:

In accordance with Rule 7 of the Anti-Dumping Duties Rules, 2001, the Commission has established and shall maintain a public file at its offices, which shall be available to interested parties for review and copying from Monday to Thursday between 1100 hours to 1300 hours (except public holidays) throughout the investigation.

Further Information:

A non-confidential version of the report of preliminary determination shall be placed on public file maintained by the Commission. It shall also be posted on the Commission's website: www.ntc.gov.pk.

Authority Under Law:

This investigation has been conducted under the Ordinance (No. LXV of 2000). This notice is published pursuant to Section 37 of the Ordinance by order of the Commission

(Imran Zia)
Director
November 25, 2009