

Preliminary Determination and Levy of Provisional Antidumping Duty on Imports of One Side Coated Duplex Grey Back Paperboard into Pakistan Originating in and/or Exported from the People's Republic of China, the Republic of Indonesia, the Republic of Korea and Chinese Taipei (Taiwan)

The National Tariff Commission (the "Commission") initiated an antidumping investigation on June 26, 2009 under Section 23 of the Anti-Dumping Duties Ordinance, 2000 (the "Ordinance") after establishing that the application lodged by Messrs. Century Paper and Board Mills Limited, Lakson Square, Building No. 2, Sarwar Shaheed Road, Karachi (the "Applicant") on behalf of domestic industry manufacturing One Side Coated Duplex Grey Back Paperboard weighing from 230 g/m² to 400 g/m², ("Paperboard") was in accordance with Sections 20 and 24 of the Ordinance. The investigation concerns dumping of Paperboard, originating in and/or exported from the People's Republic of China ("China") the Republic of Indonesia ("Indonesia"), the Republic of Korea ("Korea") and Chinese Taipei ("Taiwan") (cumulatively referred as "Exporting Countries") into Pakistan and material injury caused thereof to the domestic industry manufacturing Paperboard. In accordance with provisions of the Ordinance and Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has, after investigation, determined the following on a preliminary basis:

Exporters and Foreign Producers: The Applicant identified 22 exporters/foreign producers involved in alleged dumping of Paperboard from the Exporting Countries and provided complete addresses of 18 exporters/foreign producers. In terms of Sections 27 and 35 of the Ordinance, the Commission upon initiation of the investigation sent a copy of the notice of initiation of investigation and questionnaires to 44 exporters/foreign producers whose complete addresses were available with the Commission. The Commission also forwarded copies of notice of initiation and the questionnaire to the Embassies of the Exporting Countries in Islamabad and to the Ambassador of Taiwan's permanent Mission, Geneva with a request to forward the same to all exporters/foreign producers of Paperboard based in the Exporting Countries including those identified by the applicant.

In response to the questionnaire, two exporters/foreign producers from Korea namely Hansol Paper Co Ltd. and H. M. Trading Corporation, and one exporter/foreign producer from Indonesia namely PT Fajar Surya Wisesa Tbk. responded to the Commission and furnished necessary information for the purposes of this investigation.

Product Under Investigation: One Side Coated Duplex Grey Back Paperboard weighing from 230 g/m² to 400 g/m², originating in and/or exported from the Exporting Countries is the product under investigation ("investigated product"). It is classified under Pakistan Customs Tariff ("PCT") Nos. 4810.9200 and 4810.9900.

Domestic Like Product

The domestic like product is One Side Coated Duplex Grey Back Paperboard weighing from 230 g/m² to 400 g/m², produced by the domestic industry. It is classified under PCT heading Nos. 4810.9200 and 4810.9900.

Like Product: The Commission's investigation has established that the investigated product and Paperboard produced by the domestic industry are produced with similar manufacturing process, and with the same/similar raw materials. Both products have the same physical characteristics, usage, and tariff classification. Thus it is provisionally established that the investigated product and Paperboard produced by the domestic industry are "like products".

Period of Investigation ("POI"):

For investigation of dumping: From April 01, 2008 to March 31, 2009

For investigation of injury: From April 01, 2006 to March 31, 2009

Determination of Dumping: Normal value and export price of the investigated product for the exporters/foreign producers who cooperated and furnished necessary information have been determined in accordance with Sections 5, 6 and 10 (1) of the Ordinance, respectively on the basis of the information provided by these exporters/foreign producers in response to the Commission's questionnaire. Dumping margins for all other exporters from the Exporting Countries, who did not cooperate, is determined on the basis of best information available in terms of Section 32 of the Ordinance.

Dumping Margin: 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 export price at ex-factory level. The provisional dumping margins expressed as percentage of weighted average adjusted export price at ex-factory level thus work out is given in Table-I:

Table-I: Provisional Dumping Margin

Country	Exporter Name	Dumping Margin
Korea	Hansol	3.88%
	HM Corporation	7.86%
	All others	25.82%
Indonesia	Fajar	11.66%
	All others	12.55%
China	All exporters	20.61%
Taiwan	All exporters	12.35%

Injury to the Domestic Industry: Injury to the domestic industry has been determined in accordance with Part VI of the Ordinance. The Commission has on preliminary basis established that the domestic industry suffered material injury on: significant price under cutting, price depression, price suppression, negative effects on: inventories, return on investment, cash flow, decline in: profits, capacity utilization, and productivity.

Injury Factors other than Dumped Imports: The Commission has also examined factors other than dumped imports, which were causing injury to the domestic industry. Analysis showed that the domestic industry also suffered some injury due to imports of Paperboard from sources other than the dumped source and expansion in installed production capacity during the POI. However, injury caused by such other factors was not significant.

Imposition of Provisional Antidumping Duty: In reaching this preliminary affirmative determination, the Commission is satisfied that the investigated product has been imported at dumped prices. This has caused material injury to domestic industry during the POI. In order to prevent material injury during the course of this investigation, the Commission, pursuant to the powers conferred upon it under Section 43 of the Ordinance, has decided to impose provisional antidumping duties on imports of the investigated product, originating in and/or exported from the Exporting Countries for a period of four months effective from December 21, 2009. The antidumping duty rates determined on C&F value in *advalorem* terms are given in table-II.

Table-II: Provisional Antidumping Duty Rates

Country	Exporter Name	Provisional antidumping duty
Korea	Hansol	3.12%
	HM Corporation	6.27%
	All others	20.79%
Indonesia	Fajar	10.15%
	All others	11.17%
China	All exporters	18.01%
Taiwan	All exporters	10.51%

Provisional antidumping duties shall take the form of security by way of cash deposit in Commission's Non-lapsable PLD Account No. 187 with Federal Treasury Office Islamabad. Provisional antidumping duties would be collected in the same manner as customs duty under the Customs Act, 1969 (IV of 1969). Release of the investigated product for free circulation in Pakistan shall be subject to imposition of such antidumping duties.

Disclosure meeting: Pursuant to Rule 11 of the Rules, cooperating exporters/foreign producers may request for a disclosure meeting within 15 days of the date of publication of this notice.

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. +92-51-9218963, Fax No.+92-51-9221205.

Further Information: A non-confidential version of the report on preliminary determination has been placed on public file established and maintained by the Commission. It has also been 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 (except public holidays) between 1100 hrs to 1300 hrs.

Final Determination: In terms of Section 39 of the Ordinance, the Commission is required to make final determination within 180 days of publication of notice of Preliminary Determination. However, the Commission has planned to finalize this investigation within four months of the publication of this notice of Preliminary Determination.

Authority under Law: This notice is published pursuant to Section 37 of the Ordinance by order of the Commission.

(Imran Zia)
Secretary
December 21, 2009