

NOTICE OF INITIATION OF ANTIDUMPING INVESTIGATION AGAINST ALLEGED DUMPING OF PHTHALIC ANHYDRIDE INTO PAKISTAN ORIGINATING IN AND/OR EXPORTED FROM BRAZIL, CHINA, INDONESIA, SOUTH KOREA AND TAIWAN

The National Tariff Commission (the “Commission”) received an antidumping application under Section 20 of the Anti-Dumping Duties Ordinance, 2000 (the “Ordinance”) on April 16, 2009 from Nimir Chemicals Pakistan Limited, 51-N, Industrial Area, Gulberg-II, Lahore Pakistan (the “Applicant”) a domestic producer of Phthalic Anhydride (the “domestic like product”) alleging that Phthalic Anhydride is being exported into Pakistan at dumped prices from Brazil, China, Indonesia, South Korea and Taiwan (hereinafter collectively referred to as “Exporting Countries”), which has caused and is causing material injury to Pakistan’s domestic industry producing domestic like product.

Product under Investigation

The product allegedly being dumped into Pakistan is Phthalic Anhydride 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 Ortho-xylene. Phthalic Anhydride is an industrial input used in Plasticizers, Alkyed Resins, Polyester Resins, Dyes and Pigments, etc.

Application

The Applicant has alleged dumping of the investigated product into Pakistan by the exporters from the Exporting Countries. It is further alleged that the imports of investigated product in Pakistan has caused and is causing material injury to the domestic industry, mainly, by way of: price suppression; decline in profits/profitability; output; capacity utilization; return on investment; negative effects on employment; cash flows; and wages and salaries.

Threat of Injury

According to the Applicant, India has imposed provisional safeguard duty @ 25% on PA in January 2009 and exporters from Korea, Indonesia and Taiwan (who are allegedly dumping PA into Pakistan) are also subject to safeguard duty in India. After the imposition of safeguard duty on PA by India, the Applicant feels imminent threat of material injury to the domestic industry from increased volume of dumped imports from Korea, Indonesia and Taiwan.

Initiation of Investigation

The Commission hereby initiates an investigation pursuant to Section 23 of the Ordinance. The investigation will determine whether the investigated product originating in and/or exported from the Exporting Countries is being dumped into Pakistan and whether such dumping has caused and/or is causing material injury to the domestic industry and there is also threat of injury. The Commission may also, during the course of this investigation, call for any further information/data deemed necessary for the purposes of this investigation.

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

Investigation Schedule

Date of Initiation of investigation: The date of publication of this notice in the press in Pakistan.
Date of preliminary determination: Not earlier than 60 days and not later than 180 days from the date of initiation of the investigation.
Date of final determination: Will be announced in notice of preliminary determination.

Interested Parties

Interested parties, as defined in Section 2(j) of the Ordinance, are requested to identify themselves to the Secretary, National Tariff Commission, State Life Building No. 5, Blue Area, Islamabad, Tel: +9251-9205944 Fax +9251-9221205 not later than 10 days after the publication of this notice. An interested party applying for registration with the Commission in this investigation should submit; the name of the company, its line of business, name of authorized person, address, telephone number and fax number. All interested parties are invited to make their views/comments known to the Commission, and to submit information and documents (if any) not later than 45 days of the date of publication of this notice in the press in Pakistan. All data and information regarding this investigation should be submitted to the Secretary of the Commission.

Use of Best Information Available

Where any interested party refuses access to or otherwise does not provide the required information within the prescribed time limit or significantly impedes the investigation, preliminary and final determination by the Commission will be made on the basis of best information available in accordance with Section 32 of the Ordinance and the Schedule appended thereto.

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

For further information please contact, Director, National Tariff Commission, Tel: +9251-9218963, Fax +9251-9221205. General information may also be obtained by accessing the Commission's official www.ntc.gov.pk.

By order of the Commission.

(Omer Moin Chaudhry)
Director
Islamabad May 29, 2009