

(NON- CONFIDENTIAL)



**Government of Pakistan
National Tariff Commission**

Report

on

**Preliminary Determination and Provisional Measures Against Dumped Imports of
Secondary Quality Tinplate Originating in and/or Exported From Belgium, France, Germany,
Netherlands and USA.**

**A.D.C No. 016/2008/SQTP
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Table of Contents

<u>S.No</u>	<u>Description</u>	<u>Page No.</u>
	A Procedure	4
4	Receipt of Application	4
5.	Antidumping duty already in force	4
6.	Evaluation and Examination of the Application	5
7.	Domestic Industry	5
8.	Standing of the Application	5
9.	Applicant' Views	6
10.	Exporters/Producers from the exporting countries	6
11.	Initiation of Investigation	6
12.	Investigated product, Like Product and Domestic Like Product	7
13.	Period of Investigation	8
14.	Information/Data Gathering	9
15.	Questionnaire(s) Response by the Exporters/Foreign Producers from Exporting Countries	9
16.	Verification of the information	12
17.	Public File	12
18.	Confidentiality	12
19	Written submissions by the Interested Parties	12
	B Determination of Dumping	13
20.	Dumping	13
21.	Normal Value	13
22.	Export Price	14
23.	Determination of Dumping	14
24.	Determination of Export Price	16
25.	Determination of Dumping Margin	16
26.	<i>De minimis</i> Dumping Margins and Negligible Volume of Dumped Imports	17
	C Injury to Domestic Industry	18
27.	Material Injury to the Domestic Industry	18
28.	Cumulation of Dumped Imports	18
29.	Determination of Domestic Industry	19
30.	Volume of Dumped Imports	20
31.	Market Share	20
32.	Price Effects	21
33.	Production and Capacity Utilization	23
34.	Profit and Loss	23
35.	Inventories	24
36.	Productivity and Wages	24
37.	Growth	25
38.	Ability to Raise Investment (from other sources)	25
39.	Return on Investment	25
40.	Cash Flow	25

Report on Preliminary Determination and provisional measures against Dumped Imports of Secondary Quality
Tinplate Originating in and/or Exported from Belgium, France, Germany, Netherlands and USA

41.	Magnitude of the Margin of Dumping	26
42.	Summing up of Material Injury	26
	C Causation	
43.	Causal Link	27
44.	Other Factors	27
	D Conclusions	28
	E Imposition of Provisional Anti-dumping Duty	28

The National Tariff Commission (hereinafter referred to as the "Commission") having regard to the Anti-Dumping Duties Ordinance, 2000 (LXV of 2000) (hereinafter referred to as the "Ordinance") and the Anti-Dumping Duties Rules, 2001 (hereinafter referred to as the "Rules") relating to investigation and determination of dumping of goods into the Islamic Republic of Pakistan (hereinafter referred to as "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 and to the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (hereinafter referred to as the "Agreement on Antidumping") is conducting an investigation and has made preliminary determination under the above mentioned Ordinance and Rules.

2. In terms of Section 37 of the Ordinance, the Commission is required to "make a preliminary determination of dumping and injury, if any, not earlier than sixty days and not later than one hundred and eighty days, after initiation of an investigation. Such preliminary determination shall be based on the information available with the Commission at that time." The preliminary determination in this investigation has been made on the basis of information available with the Commission. Report on preliminary determination is prepared in accordance with Article 12.2 of Agreement on Anti-dumping.

A. PROCEDURE

3. The procedure set out below has been followed with regard to this investigation.

4. Receipt of Application

The Commission received a written application from Siddiqsons Tin Plate Limited, D-53, Textile Avenue, S.I.T.E., Karachi-75700, Pakistan, (the "Applicant"), a domestic producer of prime and secondary quality Tinplate of thickness of less than 0.5mm and of width of 600mm or more, through its attorney, S.U. Khan Associates, Management Consultants, on November 17, 2008. The Applicant alleged that the secondary quality Tinplate is being exported to Pakistan at dumped prices from the Kingdom of Belgium, ("Belgium") the Republic of France, ("France") the Federal Republic of Germany, ("Germany") Kingdom of the Netherlands ("Netherlands") and the United States of America ("USA") (hereinafter collectively referred to as the "Exporting Countries"), which has caused and is causing material injury to Pakistan's domestic industry producing Tinplate. The Embassies of the Exporting Countries in Islamabad were informed through note verbale dated November 29, 2008 of receipt of anti-dumping application from the domestic industry in accordance with the requirements of Section 21 of the Ordinance.

5. Antidumping duty already in force

5.1 The Commission imposed a definitive anti-dumping duty @ 27.33 percent *ad val* on dumped imports of flat rolled products of iron or non-alloy steel, of width of 600 mm or more, of a thickness of less than 0.5 mm, coated with tin (Tinplate), produced by Iscor limited (now Arcelor Mittal Steel), Roger Dyson Road, Pretoria, South Africa and exported by Macsteel International SA (Pvt.) Ltd., 187 Rivonia Road, Johannesburg, South Africa for a period of five years effective from 22 July, 2002.

5.2 The Commission conducted sunset review in terms of Section 58 of the Ordinance, and determined that there was likelihood of recurrence of dumping from the producer and exporter from South Africa and likely recurrence of injury in case anti-dumping duty is removed. The Commission, therefore, continued imposition of definitive anti-dumping duty @ 27.33 percent on producer and exporter from South Africa for a period of another five years w.e.f. July 22, 2007.

6. Evaluation and Examination of the Application

The examination of the application showed that it met the requirements of Section 20 of the Ordinance, as it contained sufficient evidence of dumping of secondary quality Tinplate from the Exporting Countries and consequent injury to the domestic industry caused therefrom. The requirements of Rule 3 of the Rules, which relate to the submission of information prescribed therein, were also found to have been met.

7. Domestic Industry

7.1 Domestic industry in terms of Section 2(d) of the Ordinance 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 dumped investigated product in such a case “domestic industry” shall mean the rest of the domestic producers.”

7.2 The domestic Tinplate manufacturing industry comprises of only one unit i.e., the Applicant. Its installed production capacity is 120,000 MT per annum on three shifts basis.

8. Standing of the Application

8.1 In order to determine whether the application was made by or on behalf of domestic industry, relevant provisions of Section 24 of the Ordinance have been considered. In terms of Section 24(1) of the Ordinance, 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.

8.2 Furthermore, Section 24(2) of the Ordinance 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 domestic like product produced by the domestic industry.

8.3 The domestic Tinplate manufacturing industry comprises of only one unit i.e., the Applicant, therefore, it represents 100 percent of domestic production of Tinplate.

8.4 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 Tinplate.

9. Applicant's Views

The Applicant, *inter alia*, raised the following issues in its application regarding dumping of secondary quality Tinplate and material injury to the domestic industry caused therefrom:

- i. secondary quality Tinplate imported from the Exporting Countries into Pakistan and Tinplate produced in Pakistan by the domestic industry are like products;
- ii. the exporters from Belgium, France, Germany, Netherlands and USA are exporting secondary quality Tinplate to Pakistan at dumped prices ; and
- iii. dumping of secondary quality Tinplate by the exporters/producers from the Exporting Countries into Pakistan is causing material injury to the domestic industry producing Tinplate, mainly through:
 - i) price undercutting;
 - ii) price suppression
 - iii) decline in market share;
 - iv) decline in capacity utilization;
 - v) decline in profits;
 - vi) decline in return on investment; and
 - vii) negative effect on cash flow

10. Exporters/producers from the Exporting Countries

The Applicant identified 20 exporters/producers involved in dumping of the secondary quality Tinplate from the Exporting Countries (list of exporters/foreign producers is placed at Annex-I). The Applicant has stated that the identified exporters are the major exporters from the Exporting Countries and a large number of other exporters from the same countries are also involved in dumping but their names/addresses could not be ascertained. The Applicant has sought an antidumping action against all exporters/producers from the Exporting Countries.

11. Initiation of Investigation

11.1 The Commission examined accuracy and adequacy of the evidence provided in the application and established that there was sufficient evidence of dumping and injury to justify initiation of the investigation in terms of Section 23 of the Ordinance. Consequently, the Commission decided to initiate an investigation on January 10, 2009 and issued a notice of initiation in terms of Section 27 of the Ordinance, which was published in the Official Gazette¹ of Pakistan and in two widely circulated national newspapers² (one in English language and another in Urdu Language) on January 16, 2009. Investigation concerning imports of secondary

¹ The official Gazette of Pakistan (Extraordinary) dated January 16, 2009.

² 'The Business Recorder' and the 'Daily Express of January 16, 2009 issue.

quality Tinplate into Pakistan (classified under PCT³ No. 7210.1210) contained in the First Schedule of Customs Act, 1969 (Act No. IV of 1969) originating in and/or exported from Belgium, France, Germany, Netherlands and USA was thus initiated on January 16, 2009.

11.2 The Commission notified the Embassies of the Exporting Countries in Islamabad, Pakistan by sending a copy of the notice of initiation of investigation on January 16, 2009. The Embassies were also requested to forward notice of initiation to all exporters/producers of secondary quality Tinplate in Belgium, France, Germany, Netherlands and USA, as the Commission did not have the addresses of all exporters/producers of secondary quality Tinplate in the Exporting Countries. Copy of notice of initiation was also sent to the known exporters/producers from Exporting Countries, to the known Pakistani importers, and to the Applicant on January 16, 2009, in accordance with the requirements of Section 27 of the Ordinance.

11.3 In accordance with Section 28 of the Ordinance, on January 21, 2009, the Commission also sent copies of full text of the written application (non-confidential version) to the known exporters/producers from the Exporting Countries and to the Embassies of the Exporting Countries in Pakistan. The Embassies were also requested to forward non-confidential version of the application to all exporters/foreign producers of secondary quality Tinplate in the Exporting Countries.

12. Investigated Product, Like Product and Domestic Like Product

12.1 Section 2 of the Ordinance defines the “investigated product”, the “like product”, and the “domestic like product” as follows:

- i. **Investigated Product**
“a product, which is subject to an antidumping investigation as described in the notice of initiation of the investigation”.
- ii. **Domestic Like Product**
“the domestically produced product, which is a like product to an investigated product”.
- iii. **Like Product**
“a product which is alike in all respects to an investigated product or, in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the investigated product”.

12.2 For the purposes of this preliminary investigation and given the definitions set out above, the investigated product and the domestic like product are identified as follows:

³ “PCT” is the abbreviation for Pakistan Customs Tariff. PCT heading in Pakistan is equivalent to Harmonized Commodity Description and Coding System up to six-digit level.

Investigated Product:

12.3 The investigated product is secondary quality Tinplate, flat rolled products of iron or non-alloy steel, of width of 600 mm or more, of a thickness of less than 0.5 mm, coated with tin (hereinafter referred to as “secondary quality Tinplate”) imported into Pakistan from the Exporting Countries. The basic raw materials used for the production of Tinplate are HR Coil/Tin Mill Black Plate (“TMBP”), tin ingots and chemicals. The investigated product is classified under PCT¹/HS No. 7210.1210. Secondary quality Tinplate is used for packaging of edible oils, foodstuff, paints, petroleum products etc.

Domestic like product

12.4 The product produced by the domestic industry is secondary quality Tinplate, flat rolled products of iron or non-alloy steel, of width of 600 mm or more, of a thickness of less than 0.5 mm, coated with tin, (hereinafter referred to as “domestic like product”). Major uses of the domestic like product are same as of the investigated product. The domestic like product is also classified under PCT Heading No. 7210.1210.

12.5 In order to establish whether the investigated product and the domestic like product are like products, as contended by the Applicant, the Commission reviewed all relevant information received/obtained from various sources including the Applicant, and Corus Staal BV (a producer of investigated product in Netherlands) and PRAL in the following terms:

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

12.6 In light of the above, the Commission has determined that the investigated product and the domestic like product are like products.

13. Period of Investigation (“POI”)

13.1 In terms of Section 36 of the Ordinance, period of investigation (hereinafter referred to as the “POI”) is:

- “a) for the purposes of an investigation of dumping, an investigation period shall normally cover twelve months preceding the month of initiation of the

¹ “PCT” is the abbreviation for Pakistan Customs Tariff. PCT heading in Pakistan is equivalent to Harmonized Commodity Description and Coding System up to six-digit level.

investigation for which data is available and in no case the investigation period shall be shorter than six months.

“b) for the purposes of an investigation of injury, the investigation period shall normally cover thirty-six months.

“Provided that the Commission may at its sole discretion, select a shorter or longer period if it deems it appropriate in view of the available information regarding domestic industry and an investigated product”.

13.2 The POI selected for dumping and injury are, therefore, respectively, as follows:

For determination of dumping:	From July 01, 2007 to June 30, 2008
For determination of injury:	From July 01, 2005 to June 30, 2008

14. Information/Data Gathering

14.1 The Commission sent questionnaires on January 21, 2009 to 20 exporters/producers from the Exporting Countries (paragraph 10 supra), and asked to respond within 37 days of the dispatch of the questionnaires i.e by February 26, 2009. None of the exporters/ producers responded to the questionnaire sent to them (paragraph 15.3 infra). Questionnaire was also provided to the Embassies of the Exporting Countries in Islamabad with a request to forward it to all exporters/producers of the investigated product based in their respective countries in order to submit information to the Commission.

14.2 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 preliminary determination the Commission has also used import data obtained from PRAL’s database in addition to the information provided by the Applicant, Corus Staal BV (a producer of investigated product in Netherlands).

14.3 Thus the Commission has sought from all available sources, relevant data and information deemed necessary for the purposes of this preliminary determination. In terms of Rule 12 of the Rules, during the course of this investigation, the Commission satisfied itself as to the accuracy of information supplied by the interested parties to the extent possible.

15. Questionnaire(s) Response by the Exporters/Producers from Exporting Countries

15.1 The Commission sent questionnaire to 20 exporters/producers from the Exporting Countries on January 21, 2009 with a request to respond within 37 days. None of them responded to the questionnaire within stipulated time period (by February 26, 2009), however, Arcelor Mittal informed, vide its letter dated February 26, 2009, that ArcelorMittal Packaging, SA (France) and ArcelorMittal Packaging, (Belgium) had decided not to participate in this investigation.

15.2 The Commission, after expiry of the time period given for submission of information on Questionnaire informed the exporters/producers from the Exporting Countries (except ArcelorMittal Packaging, SA (France) and ArcelorMittal Packaging, (Belgium)) through a letter dated March 11, 2009, that the Commission would be constrained to make its determination

based on the 'Best Information Available' in terms of Section 32 of the Ordinance and Article 6.8 and Annex II of the Agreement on Anti-dumping.

15.3 None of the exporters/producers from the Exporting Countries responded to the Commission's reminder letter of March 11, 2009

15.4 Corus Staal BV, (a producer of, inter alia, Tinplate in the Netherlands) informed vide letter dated January 26, 2009 that it intended to participate in this investigation and should be registered as interested party. The Commission registered Corus Staal BV, Netherlands and sent Exporter's Questionnaire to the authorized contact person at Corus Packaging Plus, International Trade Coordination Office, Warren, Ohio, USA on February 11, 2009. The Commission allowed 37 days to Corus Packaging Plus to provide information on Exporter's Questionnaire. Corus Packaging Plus ("Corus"), vide its letter dated March 6, 2009 informed that the exporter's Questionnaire sent through registered mail on February 11, 2009 was delivered to Corus on March 2, 2009 (after 19 days from the date of dispatch). Therefore, Corus requested for extension in time period for submission of information on Questionnaire by April 1, 2009. The Commission allowed Corus, extension in time period for submission of information till April 1, 2009.

15.5 Questionnaire Response from Corus Staal BV, Netherlands

15.5.1 Questionnaire response from Corus Staal BV, Netherlands was received on March 31, 2009, which reveals the following:

- i) Corus Staal BV is owned by Corus Nederland BV, which is in turn owned by Tata Steel Netherlands BV, a private Dutch Corporation. Tata Steel Netherlands BV is a holding company that is not engaged in the production or sale of the investigated product. Tata Steel Netherlands BV is ultimately owned by Tata Steel Ltd of Mumbai, India. The investigated product is manufactured at Corus Staal BV, IJmuiden, Netherlands.
- ii) During the Period of Investigation (POI), sale of the investigated product (IP) for all markets and customers was the responsibility of Corus Packaging Plus, IJmuiden, Netherlands, a business unit within Corus Staal BV. The business unit has its headquarters in IJmuiden, Netherlands. For legal purposes, Corus Staal BV is the sole legal entity engaged in the prime production of tinplate, the non-prime tinplate arising from prime production of tinplate constitutes the IP.
- iii) The IP arising from Corus' Staal BV, prime production of tinplate is classified according to the nature and significance of the non-conformity (variation from Euro standards in temper/finish, surface deviations, holes, double open pinchers). There are no intended end-users or applications for non-prime product (called "secondary quality") disposed of by Corus Staal BV. It is offered without any warranties as to its condition, or its suitability or non-suitability for any particular application or end-use.
- iv) There are no customer specifications for non-prime product (secondary quality) arising from prime production. The non-prime arising from Corus' Staal BV's prime tinplate production is classified according to the nature and significance of the non-conformity, being grouped into two broad categories (wasters & rejects).

v) Corus Staal BV does not manufacture non-prime. Non-prime arising during production process is an unintended consequence of its (prime) manufacturing. Non prime product arising from such unintended consequences is disposed of in the best manner possible in order to minimize the economic loss that results from the manufacturing defects detected prior to sale of a prime product. Such defects render the material unsuitable for its intended purpose (packaging of beverages, foodstuffs etc) and thus, "non-prime". There are no catalogues or brochures issued by Corus Staal BV in respect of non-prime product.

Corus Staal's BV Sales to Customers Outside Pakistan

15.5.2 Corus Packaging Plus made sales of secondary quality Tinplate during the POI to customers outside Pakistan, details of which are as under:

- i) Corus disposes of non-prime arising from its production of prime tinplate to certain trading companies outside Pakistan. Transactions are made at spot prices negotiated between the two parties for specific lots of non-prime arising from Corus accumulated stock.
- ii) Corus disposes of this material to a small number of trading companies and the place of delivery specified by those buyers is the port of Antwerp, Belgium.
- iii) Corus does not export the investigated product directly to Pakistan. Corus has no customers in Pakistan. Neither does it grant discounts or rebates in the process of disposal of non-prime arising that are ultimately exported to Pakistan. Corus sold ***MT of IP having gross value of Euro ***to three customers (i.e. 1. Stemcor-DUB, 2. Ferofin and 3. Steellink) outside Pakistan during the POI.

Corus Staal's BV Domestic Sales in Netherlands

15.5.3 Corus Packaging Plus made sales of secondary quality Tinplate in the domestic market during the POI, details of which are as follows:

- i) Corus disposes of very limited quantities of non-prime arising from the production of prime tinplate to only two buyers in the domestic market, an end-user and a steel service center. Corus sold ***MT worth Euro *** of IP to an affiliated company Laura Metaal Holdings BV and ***MT worth Euro *** to unrelated company Zaanlandia Bekkers Bilk BV in the domestic market during the POI. There is no other company affiliated with Corus Staal BV in the Netherlands that produces or has the capability to produce the IP.
- ii) Transactions are made at spot prices negotiated between the two parties for specific lots of non-prime arising from Corus' accumulated stock.

15.6 The information submitted by Corus, in response to the questionnaire was analyzed at the Commission and certain deficiencies were identified. Accordingly, data deficiencies were communicated to it vide Commission's letter dated April 9, 2009.

15.7 In response to the deficiency letter of April 9, 2009, Corus provided certain information related to total sales of non-prime product during the POI and addresses of its three customers, who according to them purchased the investigated product for export to Pakistan. However, it did not provide the information on cost of production.

15.8 The Commission accepted the information supplied by Corus for the purposes of this preliminary determination and dumping is determined for Corus and other exporters from Netherlands on the basis of that information and data obtained from PRAL.

16. Verification of the Information

16.1 In terms of Section 35 of the Ordinance, during the course of an investigation, the Commission shall satisfy itself as to the accuracy of the information supplied by the Applicant and other interested parties through on-the-spot-investigation pursuant to Rule 12 of the Rules.

16.2 In order to verify the information provided by the Applicant and to obtain further information (if any), on-the-spot-investigation was conducted at the offices and plant of the Applicant from March 12 to 14, 2009.

16.3 To verify the information/data provided by Corus, in response to the questionnaire and to obtain further information (if any), on-the-spot-investigation was conducted at the premises of Corus Staal BV in Netherlands from June 10 to 12, 2009

17. Public File

The Commission, in accordance with Rule 7 of the Rules, has 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 investigation. This file contains non-confidential versions of the application, response to the questionnaires, submissions, notices, reports, correspondence, and other documents for disclosure to the interested parties.

18. Confidentiality

In terms of Section 31 of the Ordinance, any information, which is marked confidential by the interested parties in their submissions and considered confidential by the Commission, shall, during and after the investigation, be kept confidential.

19. Written Submissions by the Interested Parties

All interested parties were invited to make their views/comments and to submit information and documents (if any) not later than 45 days from the date of publication of notice of initiation. However, the Commission did not receive any written submissions/comments from any interested party.

B. DETERMINATION OF DUMPING OF TINPLATE

20. **Dumping.**

In terms of Section 4 of the Ordinance 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”.

21. **Normal Value**

21.1 In terms of Section 5 of the Ordinance “normal value” is defined as follows:

“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”.

21.2 However, Section 6 of the Ordinance states:

“(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.

“(2) Sales of a like product destined for consumption in domestic market of an exporting country or sales to an appropriate third country may be considered to be a sufficient quantity for the determination of normal value if such sales constitute five per cent or more of the sales of an investigated product to Pakistan:”.

21.3 Ordinary course of trade is defined in Section 7 of the Ordinance as follows:

“(1) The Commission may treat sales of a like product in domestic market of an exporting country or sales to a third country at prices below per unit, fixed and variable, cost of production plus administrative, selling and other costs as not being in the ordinary course of trade by reason of price and may disregard such sales in determining normal value only if the Commission determines that such sales were made –

- “(a) within an extended period of time which shall normally be a period of one year and in no case less than a period of six months;
- “(b) in substantial quantities; and
- “(c) at prices which do not provide for the recovery of all costs within a reasonable period of time.

“(2) For the purposes of sub-clause (b) of sub-section (1), sales below per unit cost shall be deemed to be in substantial quantities if the Commission establishes that –

“(a) a weighted average selling price of transactions under consideration for the determination of normal value is below a weighted average cost; or

“(b) the volume of sales below per unit cost represents twenty per cent or more of the volume sold in transactions under consideration for the determination of normal value.

“(3) If prices which are below per unit cost at the time of sale are above the weighted average cost for the period of investigation, the Commission shall consider such prices as providing for recovery of costs within a reasonable period of time.”

22. Export Price

The “export price” is defined in Section 10 of the Ordinance as “a price actually paid or payable for an investigated product when sold for export from an exporting country to Pakistan”.

23. Determination of Dumping

23.1 As stated earlier (paragraph 10 supra) the Applicant identified 20 exporters/producers involved in dumping of the secondary quality Tinplate from the Exporting Countries. None out of these 20 exporters/producers from the Exporting Countries provided any information in response to the Commission’s questionnaire and reminder letter of March 11, 2009. The determination of dumping of investigated product by exporters/producers from Exporting Countries (except Corus Staal BV from Netherlands), in this preliminary determination, is made on the basis of ‘best information available’ pursuant to Section 32 and Schedule to the Ordinance.

23.2 Only Corus, Netherlands provided information in response to the questionnaire. Individual margin of dumping of Corus Staal BV has been determined on the basis of information provided by them.

23.3 Determination of Normal Value

23.3.1 In terms of Section 5 of the Ordinance, normal value is a “comparable price paid or payable, in ordinary course of trade, for sales of a like product when destined for consumption in an exporting country”. When such domestic prices are not available, the Commission may determine normal value on the basis of ‘best information available’ pursuant to Section 32 and Schedule to the Ordinance.

23.3.2 Since none of the exporters/producers from Belgium, France, Germany, and USA provided requisite information to the Commission in response to the questionnaire, the Commission was constrained to determine normal values for exports of investigated product from these countries on the basis of information provided by the Applicant in the application. In the application the Applicant constructed normal value by using the average annual prices of hot-rolled coils during financial year 2007-08, given in various issues of the UK-based metal

journal "Metal Bulletin Research (MBR)". A conversion cost of US\$^{***}/MT (taken from conversion cost calculations of M/s. Stemcor, Belgium provided by the importers of secondary quality Tinplate to Pakistan customs authorities) has been added to arrive at ex-factory price of prime quality Tinplate. To calculate the ex-factory prices of secondary quality Tinplate, the constructed ex-factory prices of prime quality Tinplate were discounted by ^{***} (as this discount rate was used by the Collector of Customs (Valuation), Customs House Karachi for determining minimum assessable value of secondary quality Tinplate).

23.3.3 Normal values of secondary quality Tinplate for the Exporting Countries (except Netherlands) thus worked out are given below:

Table-1
Normal Value (ex-factory price in the Exporting Countries)

Exporting Country	Ave. Annual Prices of HRC as given in MBR	Conversion Cost	Prices of Prime Quality Tinplate	Prices of secondary quality Tinplate discounted @ ^{***}
Belgium	***	***	***	***
France	***	***	***	***
Germany	***	***	***	***
USA	***	***	***	***

Source: Applicant data.

Normal value of Corus Staal BV, Netherlands

23.3.4 According to the information provided by Corus Packaging Plus, Netherlands, it sold two types of non-prime tinplate i.e. rejects ^{***}MT and wasters ^{***}MT in the domestic market during 2007-08. In the domestic sales Corus sold ^{***}MT of "wasters" tinplate to Zaanlandia Bekkers Bilk BV (an end-user) and ^{***}MT "rejects" Tinplate to Laura Staal Center Maastricht BV (a steel service center).

23.3.5 During on-the-spot-investigation Corus Staal informed that it does not manufacture non-prime. Non-prime arising during production process is an unintended consequence of its (prime) manufacturing and is disposed of in the best manner possible in order to minimize the financial loss that results from the manufacturing defects detected prior to sale of a prime product. The non-prime is sold at a price ^{***} percent lower for "waster" tinplate and ^{***} percent lower for "rejects" tinplate than the price of prime Tinplate. Sales at discounted prices are considered as in the ordinary course of trade due to particular market situation (as non-prime is considered as unintended production arising out of production of prime tinplate).

23.3.6 The weighted average gross domestic sales price of "waster" tinplate was Euro ^{***}/MT (US\$^{***}/MT). As delivery terms of "waster" tinplate sales was FAS (Free along Side) and few sales were made on credit, adjustments were made for inland freight charges and credit cost of Euro ^{***}/MT (US\$^{***}/MT) to arrive at ex-factory domestic sales price of "waster" tinplate. The ex-factory price of "waster" tinplate worked out to be Euro ^{***}/MT (US\$^{***}/MT). The weighted average gross domestic sales price of "rejects" tinplate was Euro ^{***}/MT (US\$^{***}/MT). As delivery terms of "rejects" tinplate were ex-works and only few sales were made on credit adjustment was made for credit cost of Euro ^{***}/MT (US\$^{***}/MT) to arrive at ex-factory domestic sales price of "rejects" tinplate. The ex-factory price of "rejects" tinplate worked out to be Euro ^{***}/MT (US\$.^{***}/MT).

24. Determination of Export Price

24.1 In terms of Section 10 of the Ordinance, export price is a price actually paid or payable for secondary quality Tinplate when sold for export from an exporting country to Pakistan.

24.2 As stated earlier none of the exporters/producers from the Exporting Countries (except Corus Staal, Netherlands) provided information in response to the questionnaire, therefore, export price of secondary quality Tinplate exported from the Exporting Countries has been determined from import data obtained from PRAL.

24.3 The weighted average adjusted (ex-factory) export prices for the secondary quality Tinplate from Exporting Countries during POI are given in the following table:

Table-2
Weighted Average Adjusted Export Price

Exporting Country	Quantity (MT)	C&F Export Price (US\$/MT)	Less Ocean & inland freight charges	Adjusted Export price (US\$/MT)
Belgium	***	***	***	***
France	***	***	***	***
Germany	***	***	***	***
Netherlands	***	***	***	***
USA	***	***	***	***

Source: Applicant and PRAL data.

Export Price of Corus Staal BV, Netherlands

24.4 According to the information provided by Corus, it does not export secondary quality tinplate directly to Pakistan. Corus has no customers in Pakistan. Neither does it grant discounts or rebates in the process of disposal of secondary quality Tinplate, that is ultimately exported to Pakistan. Corus sold ***MT of IP having gross value of Euro *** to its customers outside Pakistan during the POI. The PRAL data shows import of *** MT of secondary quality Tinplate from Netherlands during the POI, out of which ***MT was sold by Corus to its customers (for export of secondary quality Tinplate to Pakistan).

24.5 According to the information provided by Corus Netherlands, it sold two types of non-prime tinplate i.e. "rejects" ***MT and "wasters" ***MT to its customers outside Pakistan during 2007-08. The weighted average gross sales price of waster tinplate was Euro ***/MT (US\$***/MT). After making adjustment for credit cost of Euro ***/MT (US\$***/MT), the ex-factory export sales price (assumed to be exported to Pakistan by its customers) of "waster" tinplate works out to be Euro ***/MT (US\$***/MT). The weighted average gross sales price of "rejects" tinplate was Euro ***/MT (US\$***/MT). After making adjustment for inland freight charges of Euro ***/MT (US\$***/MT), the ex-factory export price (assumed to be exported to Pakistan by its customers) of rejects tinplate works out to be Euro ***/MT (US\$.***/MT)

25. Determination of Dumping Margin

25.1 Section 2(f) of the Ordinance defines "dumping margin" in relation to a product to mean the amount by which its normal value exceeds its export price. Section 11 of the Ordinance

requires the export price and normal value to be compared with the same characteristics in terms of level of trade, time of sale, quantities, taxes, physical characteristics, conditions and terms of sale and delivery at the same place.

25.2 Taking into account the requirements of the Section 11 of the Ordinance the dumping margin for Belgium, France, Germany and USA has been calculated by comparing ex-factory normal value with weighted average adjusted (ex-factory) export price (on the basis of best information available). The dumping margin for exporters from Netherlands has been calculated by comparing ex-factory normal value of Corus Staal BV with weighted average adjusted (ex-factory) export price of imports from Netherlands (calculated from PRAL data) as follows:

Table-3
Dumping Margin

Exporting Countries	Ex-Factory Normal Value (US\$/MT)	Ex-factory Export Price (US\$/MT)	Dumping Margin (US\$/MT)	Dumping Margin as % of ex-factory Export Price	Dumping Margin as % of C&F Export Price
Belgium	***	***	***	31.40	28.62
France	***	***	***	34.43	31.31
Germany	***	***	***	25.95	23.73
Netherlands	***	***	***	44.19	39.99
USA	***	***	***	12.93	11.78

Source: Application

25.3 Dumping margin for Corus Staal BV has been calculated on the basis of information provided in response to the Questionnaire. According to the Corus it categorizes non-prime into 'wasters' and "rejects":

Table-4
Dumping Margin for Corus Staal BV

Corus Staal BV	Ex-Factory Normal Value (US\$/MT)	Ex-factory Export Price (US\$/MT)	Dumping Margin (US\$/MT)	Total dumping margin (US\$)	Dumping Margin as % of C&F Export Price
Waster Tinplate	***	***	***	***	23.96
Rejects Tinplate	***	***	***	***	

Source: Corus Staal BV Data.

26. De minimis Dumping Margins and Negligible Volume of Dumped Imports

26.1 In terms of Section 41(3) of the Ordinance, dumping margin shall be considered to be negligible if it is less than two percent, expressed as a percentage of the export price. Prima facie dumping margins, set out in paragraph 25.2 supra, appear to be above the *de minimis* level.

26.2 As regards the volume of dumped imports, Section 41(3) of the Ordinance provides that the volume of such imports shall normally be regarded as negligible if the volume of dumped

imports of an investigated product is found to account for less than three percent of total imports of like product. The data obtained from PRAL of volume of dumped imports of secondary quality Tinplate from all sources during the POI (July 01, 2008 to June 30, 2008) is given in the table below:

Table-5
Volume of Imports of secondary quality Tinplate
during FY 2007-08

Exporting Country	As percent of total imports
Belgium	15.26%
France	3.24%
Germany	18.65%
Netherlands	7.40%
USA	20.82%
Other sources	34.31%
Total	100%

Source: PRAL data

26.3 It appears from the above table that the volume of dumped imports of secondary quality Tinplate from each dumped source i.e. Belgium, France, Germany, Netherlands and USA during FY 2007-08 was above the negligible threshold set-out in Section 41(3) of the Ordinance.

C. INJURY TO DOMESTIC INDUSTRY

27. Material Injury to the Domestic Industry

27.1 Section 15 of the Ordinance sets out the principles for determination of material injury to the domestic industry and provides as follows:

“A determination of injury shall be based on an objective examination of all relevant factors by the Commission which may include but shall not be limited to:

- a. volume of dumped imports;
- b. effect of dumped imports on prices in domestic market for like products; and
- c. consequent impact of dumped imports on domestic producers of such products...”

27.2 Material injury to the domestic industry is summarized in the following paragraphs.

28. Cumulation of Dumped Imports

28.1 As per Section 16 of the Ordinance:

where imports of a like product from more than one country are the subject of simultaneous investigation under this Ordinance, the Commission may

cumulatively assess the effects of such imports on the domestic industry only if it determines that:

- (a) dumping margin in relation to secondary quality Tinplate from each country is more than the negligible amount as specified in paragraphs 25.2 and 25.3 supra, and volume of dumped imports from each investigated country is not less than the negligible quantity as specified in paragraph 26.2 supra; and
- (b) a cumulative assessment of the effects of the imports is appropriate in the light of
 - (i) the conditions of competition between the imports; and
 - (ii) the conditions of competition between the imports and a domestic like product.

28.2 As mentioned in paragraph 26.2 supra, the volume of imports of secondary quality Tinplate from dumped sources during the POI was more than the negligible quantity (i.e. less than 3 percent of total imports of secondary quality Tinplate). The dumping margins established for the dumped sources are prima-facie more than the negligible amount (i.e. less than 2 percent of export price) (paragraphs 25.2 and 25.3 supra).

28.3 It is evident from the weighted average export prices of secondary quality Tinplate imported from dumped sources during POI (paragraph 24.3 supra) that there was a price competition between the imports of the secondary quality Tinplate from all dumped sources.

28.4 The conditions of competition between dumped imports of secondary quality Tinplate and the domestic like product are discussed in detail in paragraphs 30 to 40 infra.

28.5 For the reasons given above, the effects of dumped imports on the domestic industry have been cumulatively assessed in the following paragraphs.

29. Determination of Domestic Industry

29.1 In terms of Section 2(d) of the Ordinance domestic industry means the domestic producers as a whole of a 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.

29.2 As mentioned in paragraph 8.3 supra, the application is filed by the domestic industry producing 100 percent of the domestic production of domestic like product in Pakistan. Thus the Applicant is considered as domestic industry and injury analysis is based on the information/data of the Applicant.

30. Volume of Dumped Imports**Facts**

30.1 With regard to the volume of dumped imports, in terms of Section 15(2) of the Ordinance, it is considered whether there has been a significant increase in dumped imports, either in absolute terms or relative to the consumption or production of the domestic like product by the domestic industry. The following table shows imports of secondary quality Tinplate (obtained from PRAL) and production of the domestic like product by the domestic industry, provided by the Applicant, during the POI:

Table-6
Imports and the Domestic Production of secondary quality Tinplate

Year	Imports from		
	Dumped sources	Other Sources	Total Imports
2005-06	72	28	100
2006-07	54	13	67
2007-08	106	56	162

Source: Applicant and PRAL data.

Note: Total imports for 2005-06 have been indexed as 100.

Analysis

30.2 It appears from the above table that the volume of dumped imports from the Exporting Countries decreased by 24 percent in FY 2006-07 over the FY 2005-06. However, volume of dumped imports from the Exporting Countries significantly increased by 95 percent in FY 2007-08 over the FY 2006-07.

Conclusion

30.3 On the basis of above information and analysis the Commission has concluded that there was significant absolute increase in the volume of dumped imports during 2007-08.

31. Market Share**Facts**

31.1 The total domestic demand of Tinplate in Pakistan is met through local production and imports. To establish the size of the Pakistan market, sales of domestic like product by the domestic industry, imports of the investigated product and imports of secondary quality Tinplate from other sources have been used. Following table shows the market share from each source of supply during the POI:

Table-7
Comparison of Domestic Sales and Imports of secondary quality Tinplate in the Domestic Market

Year	Sales by domestic industry	Imports from		Total domestic market
		Dumped sources	Other sources	
2005-06	54.00	33.00	13.00	100.00
2006-07	72.43	24.83	6.21	103.47
2007-08	24.47	47.97	25.45	97.89

Source: Applicant and PRAL data.

Note: Total domestic market for 2005-06 has been indexed as 100.

Analysis

31.2 The above table shows that market share of the domestic industry increased from 54 to 72.43 in FY 2006-07 over FY 2005-06. However, its market share decreased to 24.77 of total domestic market in FY 2007-08. The market share of dumped imports of secondary quality Tinplate decreased from 33 to 24.83 in FY 2006-07 over FY 2005-06. However, market share of dumped imports increased to 47.97 in FY 2007-08. Thus during the POI market share of domestic industry decreased and that of dumped imports as well as imports from other sources increased substantially.

Conclusion

31.3 On the basis of above information and analysis the Commission has concluded that the domestic industry suffered injury on account of loss in market share during 2007-08.

32. Price Effects

32.1 The effect of dumped imports on domestic sale prices of Tinplate in the domestic market has been examined to establish whether there has been significant price under-cutting (the extent to which the price of the Tinplate is lower than the price of domestic like product), price suppression (the extent to which an increase in the cost of production cannot be recovered by way of an increase in selling price) and price depression (the extent to which the domestic industry experiences a decrease in its selling prices) during the POI.

32.2 Price Undercutting**Facts**

32.2.1 Information/data on weighted average ex-factory price of the domestic like product and weighted average landed cost of the secondary quality Tinplate during the POI is given in following table:

Table-8
Price Undercutting

Year	Average ex-factory price of domestic like product	Average landed cost of dumped imports	Price Undercutting
2005-06	100.00	70.23	29.77%
2006-07	92.78	71.33	23.11%
2007-08	107.11	89.79	16.17%

Source: Applicant and PRAL data

Note: Average ex-factory price of domestic like product for 2005-06 has been indexed as 100.

Analysis

32.2.2 The above table shows that the dumped imports undercut the prices of domestic like product during the POI in the range of 16.17 percent to 29.77 percent.

Conclusion

32.2.3 From the above information and analysis the Commission has concluded that domestic industry experienced price undercutting from dumped imports during the POI.

32.3 Price Suppression

Facts

32.3.1 Data regarding weighted average cost of production and ex-factory price of the domestic like product during the POI is given in following table:

Table-9
Price Suppression

Year	Average cost of production of domestic like product	Average ex-factory price of domestic like product	Price Suppression	
			Increase/ (decrease) in cost of production	Increase/ (decrease) in price
2005-06	100.00	100.00	-	-
2006-07	102.02	92.78	2.02	(7.22)
2007-08	113.89	107.11	11.87	14.33

Source: Applicant.

Note: Data for 2005-06 has been indexed as 100.

Analysis

32.3.2 The above table shows that the domestic industry experienced price suppression during FY 2006-07 and did not face price suppression during FY 2007-08, because the increase in the average ex-factory price of domestic like product is more than the increase in its cost of production.

Conclusion

32.3.3 On the basis of above information and analysis the Commission has concluded that the domestic industry experienced price suppression during 2006-07.

32.4 Price Depression

Facts

32.4.1 The weighted average ex-factory price of the domestic like product during the POI is given in the table below:

Table-10
Price Depression

Year	Weighted Average ex-factory price of domestic like product	Price depression
2005-06	100.00	-
2006-07	92.78	(7.22)
2007-08	107.11	14.33

Source: Applicant.

Note: Data for 2005-06 has been indexed as 100.

Analysis

32.4.2 The above table shows that the domestic industry faced price depression during FY 2006-07 and did not experience price depression in FY 2007-08 as the weighted average ex-factory price of domestic like product increased.

Conclusion

32.4.3 From the above information and analysis the Commission has concluded that the domestic industry experienced price depression in 2006-07.

33. Production and Capacity Utilization**Facts**

33.1 The installed capacity, quantity produced and the capacity utilization of the domestic industry during the POI, as provided by the Applicant are as follows:

Table-11
Production and Capacity utilization

Period	Installed Capacity	Capacity Utilization (Prime + Secondary = Total)
2005-06	100	13% + 34% = 47%
2006-07	100	8% + 31% = 39%
2007-08	100	22% + 16% = 38%

Source : Applicant

Note: Data for 2005-06 has been indexed as 100

Analysis

33.2 The above table shows that the overall capacity utilization level of the domestic industry decreased from 47% in FY 2005-06 to 38% in FY 2007-08. However, decrease in capacity utilization with reference to production of secondary quality Tinplate is more pronounced.

Conclusion

33.3 On the basis of above information and analysis the Commission has concluded that the domestic industry suffered injury on account of capacity utilization during the POI.

34. Profit and Loss**Facts**

34.1 Information submitted by the Applicant on profitability of the domestic industry is given in the following table:

Table-12
Profit / Loss

Year/Period	Gross Profit/(loss)	Net Profit/(loss)
2005-06	100.00	100.00
2006-07	91.41	82.78
2007-08	43.54	28.01

Source: Applicant.

Note: Data for 2005-06 has been indexed as 100.

Analysis

34.2 It appears from the above table that the net profit of the domestic industry decreased by 17% and 66% in FY 2006-07 and 2007-08, respectively.

Conclusions

34.3 On the basis of above information and analysis the Commission has concluded that the domestic industry suffered material injury on account of decline in profits during the POI.

35. Inventories**Facts**

35.1 The data provided by the Applicant on the position of inventories is as follows:

Table-13
Opening and closing stocks and Inventory

Year	Opening Inventory	Closing Inventory
2005-06	100	115.95
2006-07	115.95	10.27
2007-08	10.27	28.46

Source: Applicant.

Note: Opening inventory for 2005-06 has been indexed as 100.

Analysis

35.2 The above table shows that inventories of the domestic like product decreased substantially in 2006-07. However, inventories increased by 177.12% in 2007-08 over 2006-07 despite much lower production as the sales of domestic like product decreased substantially.

Conclusions

35.3 Based on the foregoing, the Commission has concluded that the domestic industry suffered material injury due to increase in inventory stock during 2007-08.

36. Productivity and Wages**Facts**

36.1 The data submitted by the Applicant on employment in the domestic industry and the wages paid during the POI is given in following table:

Table-14
Employment, Productivity and Salaries & Wages

Year	Number of Employees	Total salaries and wages	Domestic production	Productivity per worker	Salaries & wages
2005-06	100	100.00	100.00	100.000	100.00
2006-07	104	106.79	82.38	78.89	129.68
2007-08	106	126.08	79.93	75.27	157.77

Source: Applicant. * Production of both prime and secondary Tinplate has been taken

Note: Data for 2005-06 has been indexed as 100.

Analysis

36.2 The above table shows that the employment increased in FY 2006-07 and further increased in FY 2007-08. The productivity per worker decreased through out the POI. Similarly, salaries and wages per MT of Tinplate also increased during the POI.

Conclusion

36.3 From the above information and analysis the Commission has concluded that the domestic industry suffered injury on account of productivity and salaries and wages per MT during 2006-07 and 2007-08.

37. Growth

The Applicant has setup a plant having capacity of 120,000 MT per annum, however, the total domestic demand during 2007-08 was around 92,000 MT of both prime and secondary quality Tinplate (much lower than the installed capacity). Therefore, neither the Applicant has felt the need to enhance its plant capacity, nor a new plant has been set-up by any other firm.

38. Ability to Raise Investment (From other sources)

Applicant claims that it is a private limited company listed at Karachi Stock Exchange and it has given dividend to its shareholders during last three years, however, its net profit decreased during the POI. Had there been any need to raise investment through stock exchange, the domestic industry claims that in such an adverse situation, it would have faced difficulty in raising investment from stock exchange or obtaining loan/ financing from banks.

39. Return on Investment**Facts**

39.1 Following table shows that the Applicant's return on investment during the POI.

Table-15
Return on Investment

Year	Total Investment	Profit + Financial Exp. = Return	Return on Investment
2005-06	***	***	28.88%
2006-07	***	***	20.23%
2007-08	***	***	10.35%

Source: Applicant.

Analysis

39.2 The above table shows that return on investment of domestic industry decreased substantially during the POI, mainly because of decline in profits.

Conclusion

39.3 On the basis of above information and analysis the Commission has concluded that the domestic industry suffered injury due to decline in return on investment during the POI.

40. Cash Flow**Facts**

40.1 According to the Applicant, its cash generation was also affected due to dumped imports of the secondary quality Tinplate. Cash generation from operation during the POI is given in the table below:

Table-16
Cash Flow

Year	Cash Flow (Million Rs.)
2005-06	100.00
2006-07	75.13
2007-08	53.77

Source: Applicant.

Note: Data for 2005-06 has been indexed as 100.

Analysis

40.2 Cash generated during FY 2005-06 went down from 100 to 75 in FY 2006-07. The cash flow further decreased in FY 2007-08 due to reduction in profit.

Conclusion

40.3 On the basis of foregoing, the commission has concluded that the domestic industry suffered material injury during the POI due to negative effect on cash flow.

41. Magnitude of the Margin of Dumping

The effect of magnitude of the margin of dumping of all exporter/producers from the Exporting Countries has been considered. The margin of dumping ranges between 11.78 to 39.99 percent ad val. and the Commission has concluded that the domestic industry suffered injury on account of magnitude of the margin of dumping.

42. Summing up of Material Injury

42.1 The facts and analysis in the preceding paragraphs (paragraphs 27 to 40 supra) show that the domestic industry has suffered material injury during the POI mainly on account of:

- i) significant increase in the volume of dumped imports of investigated product from the Exporting Countries;
- ii) price undercutting;
- iii) price suppression;
- iv) price depression;
- v) decline in market share;
- vi) decline in production;
- vii) decline in capacity utilization;
- viii) decline in sales;
- ix) decline in profits;
- x) decline in return on investment; and
- xi) negative effect on cash flow

42.2 Dumped imports of investigated product from the Exporting Countries significantly increased in absolute terms and sales of domestic like product significantly decreased during the POI.

42.3 The landed cost of investigated product undercut the sales price of domestic like product in Pakistan's market during the POI, the domestic industry was not been able to increase its sales price to a level to recover increase in cost of production during 2006-07.

42.4 The domestic industry lost its sales and market share due to dumped imports of investigated product during the POI. Production of the domestic like product decreased and consequently capacity utilization of the domestic industry also decreased during the POI. Profit of the domestic industry declined and there was negative effect on cash flow.

42.5 On the basis of foregoing, the Commission has concluded that the domestic industry suffered material injury due to dumped imports of investigated product in terms of Section 15 and 17 of the Ordinance.

43. Causal link

The imports of the secondary quality Tinplate from the Exporting Countries were at dumped prices. The imports of secondary quality Tinplate from countries other than the Exporting Countries were 34.63 percent, thus the domestic industry suffered injury mainly on account of dumped imports of investigated product from Exporting Countries. The main factors mentioned at paragraph 42 supra appear to have caused material injury to domestic industry.

44. Other Factors

44.1 In accordance with Section 18(2) of the Ordinance, the Commission also examined factors, other than dumped imports, which could at the same time cause injury to the domestic industry, in order to ensure that possible injury caused by other factors is not attributed to the injury caused by dumped imports.

44.2 The investigation of the Commission revealed that the domestic industry also suffered some injury due to imports of secondary quality Tinplate from sources other than dumped sources during the POI. However, injury caused by imports from other sources cannot be considered as significant as its volume was far less than the volume of dumped imports, and weighted average C&F price was around the same level of the weighted average C&F price of the investigated product. Following table shows the volume and weighted average C&F prices of imports from other sources and from dumped sources:

Table-17
Comparison of Imports from Dumped and Other Sources

Year	Imports from Dumped Sources	C&F price	Imports from other Sources	C&F price
2005-06	100.00	100.00	39.16	99.62
2006-07	75.92	100.62	17.94	97.70
2007-08	148.34	127.25	77.51	127.60

Source: PRAL data.

Note: Imports from dumped sources and its C & F price for 2005-06 have been indexed as 100.

44.3 The above table shows there was significant increase in imports from other sources during 2007-08. At the same time, the C&F prices of imports from other sources (127.60) were slightly higher than the C&F prices of imports from dumped sources (127.25) during 2007-08. Thus, the injury suffered by domestic industry during the POI on account of imports from other sources was not significant as compared to injury suffered by imports from dumped sources.

D. CONCLUSIONS

45. The conclusions, after taking into account all considerations for this preliminary determination, are as follows:

- i. the application was filed on behalf of domestic industry as the Applicant represents 100 percent of the production of domestic like product;
- ii. the investigated product and the domestic like product are like products;
- iii. during the POI, the investigated product was exported to Pakistan by the exporters/producers, from the Exporting Countries, at prices below its normal value;
- iv. the volume of dumped imports of the investigated product and the dumping margins established on the basis of the foregoing analysis, are above the negligible and *de minimis* levels respectively;
- v. the domestic industry suffered material injury during the POI on account of, significant increase in the volume of dumped imports, price undercutting, price depression, price suppression; decline in market share, production, capacity utilization, sales, profits, return on investment; and negative effects on cash flow. (in terms of Section 15 and 17 of the Ordinance);
- vi. the domestic industry suffered injury on account of magnitude of the margin of dumping; and
- vii. there is a causal relationship between dumped imports and the material injury suffered by the domestic industry.

E. IMPOSITION OF PROVISIONAL ANTI-DUMPING DUTY

46. In view of the analysis and conclusions with regard to dumping, material injury, and causation, imposition of provisional antidumping duty on the investigated product is needed to offset injury to the domestic industry by dumped imports. Dumping margins have been determined for exporter/producer from the Exporting Countries.

47. In terms of Section 43 of the Ordinance, provisional antidumping duties as given in the following table are hereby imposed on the investigated product produced and exported by exporters/producers from the Exporting Countries, for a period of four months effective from July 16, 2009. The antidumping duty rates are determined on C&F value in *ad val.* terms:

Provisional Antidumping duty

Exporting Countries	Provisional anti-dumping 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

48. Secondary quality Tinplate imported from sources, other than the Exporting Countries shall not be subject to provisional antidumping duty. The investigated product is classified under PCT heading No.7210.1210.

49. In accordance with Section 44 of the Ordinance, the provisional antidumping duties shall take the form of security by way of cash deposit and be held in a non-lapsable personal ledger account established and maintained by the Commission for the purpose. Release of the investigated product for free circulation in Pakistan shall be subject to imposition of such antidumping duty.

50. Provisional antidumping duties levied would be in addition to other taxes and duties leviable on import of the investigated product under any other law, pursuant to Section 51(1) of the Ordinance.

51. The provisional antidumping duties would be collected in the same manner as customs duty is collected under the Customs Act, 1969 (IV of 1969) under Section 51(1) of the Ordinance and would be deposited in Commission's Non-lapsable PLD account No. 187 with Federal Treasury Office, Islamabad.

(Bilal Khan)
Member
July 15, 2009

(Muhammad Ikram Arif)
Chairman
July 15, 2009