ADC No. 54/2018/NTC/ABC Government of Pakistan National Tariff Commission

Notice of Preliminary Determination and Levy of Provisional Anti-Dumping duties on dumped

Imports of Aluminium Beverage Cans into Pakistan originating in and / or Exported from Jordan, Sri

Lanka and UAE & Termination of Anti-Dumping Investigation on Imports of Aluminum Beverage

Cans originating from Turkey

The National Tariff Commission (the "Commission") initiated an anti-dumping investigation on November 01, 2018, under Section 23 of the Anti-Dumping Duties Act, 2015 (the "Act") after establishing that the application lodged by M/s Pakistan Aluminium Beverage Cans Limited (the "Applicant"),on behalf of domestic industry producing Aluminium Beverage Cans ("Cans") was in accordance with Section 20 and 24 of the Act. The investigation is conducted on alleged dumping of Cans originating in and/or exported from Jordan, Sri Lanka, Turkey and UAE (the "Exporting Countries") said to have caused and is causing material retardation to the establishment of Pakistan's domestic industry producing Cans. In accordance with provisions of the Act, and Anti-Dumping Duties Rules, 2001 (the "Rules"), the Commission has, after investigation, determined the following on preliminary basis:

<u>Product under Investigation</u>: The product being dumped into Pakistan is Aluminium Beverage Cans of capacities 250 ml to 300 ml imported from Jordan, Sri Lanka, Turkey and UAE classified under Pakistan Customs Tariff ("PCT") Heading Nos. 7612.9010 and 7612.9030 (the "investigated product"). Basic raw material used for the production of the investigated product is Aluminium Coil.

<u>Period of Investigation (POI):</u> For determination of dumping and injury, the POI is as follows:

For determination of dumping: From September 01, 2017 to June 30, 2018 For determination of material retardation of establishment of domestic industry: From September 01, 2017 to June 30, 2018

<u>Determination of Dumping:</u> Individual dumping margin in this preliminary determination is determined for Ceylon Beverage Cans, Sri Lanka on the basis of the information provided by it. For determination of dumping margin for the exporters/foreign producers of Jordan and UAE, the Commission has relied on the information provided by the co-operating exporter of Sri Lanka and data obtained from Pakistan Customs. The amount of dumping margin is as follows:-

Provisional Dumping Margins

Exporting	Exporter/Foreign Producer	Provisional Dumping Margin % of
Country		C&F Export Price
Sri Lanka	Ceylon Beverage Cans	17.14
	All other Exporters/Foreign Producers	17.14
Jordan	All Exporters/Foreign Producers	21.86
UAE	All Exporters/Foreign Producers	18.26

Termination of Anti-Dumping Investigation against Turkey: In terms of Section 41(2) of the Act "an investigation may be terminated at any time by the Commission if it is satisfied that there is not sufficient evidence of either dumping or injury to justify proceeding with an investigation". Upon examination of import data, it was found that all imports of Aluminium Beverage Cans, originating from Turkey were of 500 ml capacity. The domestic industry is not manufacturing Aluminium Beverage Cans of 500 ml so the same does not fall under the scope of the investigated product. Turkey is not country of origin of the investigated product. Therefore, investigation to the extent of Turkey is terminated.

<u>Injury to the domestic industry:</u> The Commission has on preliminary basis established that domestic industry has not been established yet and could not achieve commensurate market share. Its establishment was materially retarded during the POI due to dumped imports, price undercutting, price depression, profit and profitability, output, capacity utilization, return on investment, negative effects on inventories, negative effects on cash flows, negative effects on ability to raise capital and forced reduction in prices.

<u>Imposition of Provisional Anti-Dumping Duty</u>: In reaching this preliminary determination, the Commission is satisfied that the investigated product has been imported from the Exporting Countries at

dumped prices. However, for the purpose of imposition of lesser duty in terms of Section 43 (1) of the Act, the Commission has calculated injury margin to ascertain whether a lower duty would be adequate to remove injury being suffered by the domestic industry due to dumped imports of investigated product from the Exporting Countries. However, the injury margin worked out by the Commission is higher than the dumping margins. The Commission has therefore, decided to impose antidumping duties on the basis of dumping margins. In order to prevent material retardation of establishment of the domestic industry during the course of this investigation, the Commission, pursuant to the powers conferred upon it under Section 43 of the Act, has decided to impose provisional anti-dumping duty at the rates mentioned below on C&F value in *ad val.* terms on imports of Aluminum Beverage Cans falling under PCT No. 7612.9030 importable from the Exporting Countries for a period of four months effective from the date of publication of notice in the press, on the following exporters/producers:-

Exporting	Exporter/Foreign Producer	Provisional Antidumping
Country		Duty Rate (%)
Sri Lanka	Ceylon Beverage Cans	17.14
	All other Exporters/ Foreign Producers	17.14
Jordan	All Exporters/Foreign Producers	21.86
UAE	All Exporters/Foreign Producers	18.26

<u>Litigation:</u> Exporters namely Crown Emirates Company Ltd, U.A.E, Crown Bevcan Turkiye Ambalaj Sanayi Ve Ticaret Ltd, Turkey and Crown Middle East Can Co. Ltd, Jordan collectively known as Crown Group instituted a Writ Petition No.277/2019 dated January 23, 2019 at Islamabad High Court, Islamabad challenging the initiation of the investigation. The Honorable Islamabad High Court passed an interim order on January 28, 2019 that " *No Adverse Action shall be taken against the Petitioners*". Anti-dumping investigation in respect of Turkey has been terminated. The Commission has decided to hold in abeyance the imposition of provisional measures to the extent of Crown Emirates Company Ltd, U.A.E and Crown Middle East Can Co. Ltd, Jordan till the decision of the above mentioned petition.

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. +92-51-9202839, Fax No.+92-51-9221205.

<u>Authority under Law:</u> This notice is published pursuant to Section 37 of the Act by order of the Commission.

(Muhammad Hamood-ur-Rauf) Director May 03, 2019