

ADC No. 56/2019/NTC/PA
Government of Pakistan
National Tariff Commission

Notice of Final Determination and Imposition of Definitive Anti-Dumping Duties on Dumped Imports of Phthalic Anhydride into Pakistan originating in and / or Exported from China, Chinese Taipei, South Korea and Russian Federation.

The National Tariff Commission (the “Commission”) initiated an anti-dumping investigation on December 07, 2019, under Section 23 of the Anti-Dumping Duties Act, 2015 (the “Act”) after establishing that the application lodged by M/s Nimir Chemicals Pakistan Limited, Lahore (the “Applicant”), on behalf of domestic industry producing Phthalic Anhydride (“PA”) was in accordance with Section 20 and 24 of the Act. The Commission investigated dumping of PA originating in and/or exported from China, Chinese Taipei, South Korea and Russian Federation (the “Exporting Countries”) has caused and is causing material injury to Pakistan’s domestic industry producing PA. The Commission made a preliminary determination in this investigation on June 05, 2020, in terms of Section 43 of the Act. In accordance with the Act and the Anti-Dumping Duties Rules, 2001 (the “Rules”), the Commission has made its affirmative final determination as follows:

Product under Investigation: The product being dumped into Pakistan by the Exporting Countries is Phthalic Anhydride classified under Pakistan Customs Tariff (“PCT”) Heading No. 2917.3500 (the “Investigated Product”).

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

For determination of dumping:	From July 01, 2018 to June 30, 2019
For determination of injury:	From July 01, 2016 to June 30, 2019

Determination of Dumping: Individual dumping margin has been determined for Nan Ya Plastics Corporation, an exporter/producer of PA from Chinese Taipei and Hanwha Solutions Corporation, exporter/producer of PA from South Korea, on the basis of the information provided by them in response to the Exporter’s Questionnaire. For determination of dumping margin for the non-cooperating exporters/producers of PA of the Exporting Countries, the Commission has relied on the Best Information Available in terms of Section 32 of the Act, which includes information provided by the co-operating exporters/producers from Chinese Taipei, South Korea, the Applicant, and data obtained from Pakistan Revenue Automation Limited (PRAL), the IT arm of the Federal Board of Revenue.

Injury to the Domestic Industry: Injury to the domestic industry has been determined in accordance with Part VI of the Act. The Commission has determined that the domestic industry suffered material injury on account of significant increase in the volume of dumped imports in absolute terms; significant price undercutting, price suppression, decline in sales, profits, production, market share, capacity utilization, productivity per worker and negative effect on cash flows, salaries and wages/MT, return on investment and magnitude of dumping margin. Further, there was a causal relationship between dumped imports of the investigated product and the material injury to the domestic industry.

Imposition of Definitive Anti-Dumping Duties: In reaching this final determination, the Commission has satisfied itself that the investigated product has been imported from the Exporting Countries at dumped prices. Therefore, the Commission is required to impose antidumping duties on dumped imports under Section 50 (1) of the Act. However, the Commission, in terms of Section 50 (2) of the Act, has decided to impose lesser duty equal to the injury margin as lower duties would be adequate to remove injury suffered by the domestic industry due to dumped imports of the investigated product. The

definitive anti-dumping duties are imposed at the rates mentioned in the following table on imports of the investigated product (Phthalic Anhydride) for a period of five years effective from the date of publication of notice of final determination in the Official Gazette and in the national press on June 05, 2021.

Definitive Antidumping Duty Rates

Country	Exporter Name	Definitive Antidumping Duty Rate (%)
South Korea	Hanwha Solutions	9.57
	All other exporters/producers	14.82
Chinese Taipei	Nan Ya Plastics	14.94
	All other exporters/producers	24.61
China	All exporters/producers	11.12
Russia	All exporters/producers	16.31

Definitive antidumping duties levied on imports of the investigated product would be in addition to other taxes and duties leviable on its imports under any other law.

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

Phthalic Anhydride imported from other sources (other than the Exporting Countries) shall not be subject to the anti-dumping duty.

Further Information: A non-confidential version of the detailed report of final determination has been placed on public file established and maintained by the Commission. It was also posted on the Commission's website: www.ntc.gov.pk

Authority under Law: This notice is published pursuant to Section 39 of the Act by order of the Commission.

(Mahmood Alam)
Deputy Director, NTC
June 05, 2021