

A.D.C No. 20/2009/NTC/HP  
**National Tariff Commission**

**Notice of Preliminary Determination and levy of Provisional Antidumping Duty on imports of Hydrogen Peroxide into Pakistan, Originating in and/or Exported from Belgium, China, Indonesia, South Korea, Taiwan, Thailand and Turkey**

The National Tariff Commission (the “Commission”) initiated an antidumping investigation on August 31, 2009 under Section 23 of the Anti-Dumping Duties Ordinance, 2000 (the “Ordinance”) after establishing that the application lodged by Sitara Peroxide Limited, Faisalabad and Descon Oxychem Limited, Lahore (hereinafter collectively referred to as the “Applicants”) on behalf of the domestic industry manufacturing Hydrogen Peroxide (“HP”) was in accordance with Sections 20 and 24 of the Ordinance. The investigation concerns dumping of HP, originating in and/or exported from the Kingdom of Belgium, People’s Republic of China, Republic of Indonesia, Republic of Korea, Republic of China (Taiwan), Kingdom of Thailand and Republic of Turkey (hereinafter collectively referred to as the “Exporting Countries”) into Pakistan and material retardation for the establishment of domestic industry manufacturing HP. In accordance with the Ordinance and the Anti-Dumping Duties Rules, 2001 (the “Rules”), the Commission has, after investigation, determined the following on a preliminary basis:

**Exporters and Foreign Producers:** The Applicants identified 16 exporters/foreign producers involved in alleged dumping of HP from Exporting Countries. In terms of Section 27 and 35 of the Ordinance, the Commission upon initiation of the investigation sent a copy of the notice of initiation of investigation and questionnaire to all exporters/foreign producers whose complete addresses were available with the Commission. The Commission also forwarded notice of initiation and questionnaire to the embassies of the Exporting Countries in Islamabad with a request to forward the same to all exporters/foreign producers of HP based in Exporting Countries in order to respond to the Commission. In response to the Questionnaire the following exporters/foreign producers of HP provided requisite information:

- i. Evonik Degussa, Belgium;
- ii. Evonik Degussa, Gmbh, Germany;
- iii. PT Evonik Degussa Peroxide, Indonesia;
- iv. Evonik Degussa Korea Limited, Korea;
- v. Evonik Headwaters Korea Ltd., Korea;
- vi. OCI Company Limited, Korea;
- vii. OCI Corporation, Korea;
- viii. Hansol Chemical Company Limited, Korea and
- ix. Thai Peroxide Company Limited. Thailand

**Product Under Investigation:** Hydrogen Peroxide exported by the exporters/foreign producers from the Exporting Countries is the product under investigation (the “investigated product”). It is classified under Pakistan Customs Tariff (PCT) No. 2847.0000

**Like Product:** In terms of Section 2 of the Ordinance, the examination established that the investigated product and HP produced by the domestic industry are produced with similar manufacturing process, and with the same raw materials. Both have the same physical characteristics, usage, and tariff classification. Thus it is provisionally established that both the products are “like products”.

**Period of Investigation (“POI”):**

For investigation of dumping: from April 1, 2008 to March 31, 2009  
For investigation of injury: from April 1, 2006 to March 31, 2009

**Determination of Dumping:** The normal value and the export price of the investigated product for the exporters/foreign producers who cooperated and supplied necessary information have been determined in accordance with Sections 5 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. A dumping margin 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:** The 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 and weighted average C&F export price thus work out as follows:

<b>Exporter/Foreign Producer</b>	<b>Dumping Margin as %age of Export Price</b>
<b>Belgium</b>	
Evonik Degussa, Germany and Evonik Degussa, Belgium	14.88
All others	124.58
<b>South Korea</b>	
Evonik Degussa, Korea and Evonik Headwaters	18.45
Hansol	1.07
OCIC and OCI	1.87
All others	18.45
<b>Thailand</b>	
Thai Peroxide	4.72
All others	31.57
<b>Indonesia</b>	
Evonik Degussa, Indonesia	43.48
All others	43.48
<b>China- All exporters</b>	96.22
<b>Taiwan- All exporters</b>	45.84
<b>Turkey- All exporters</b>	30.90

**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 materially retarded during POI on account of volume of dumped imports, loss of market share, price suppression, decline in profits, decline in output, decline in capacity utilization, negative effect on cash flow, negative effect on employment, salaries and wages, negative effect on return on investment and negative effect on ability to raise capital.

**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 retardation to the establishment of the domestic industry during the POI. In order to prevent material injury in 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 HP importable from the Exporting Countries as given in the following table for a period of four months effective from September 27, 2010. The antidumping duty rates are determined on C&F value in *ad val.* terms.

<b>Exporter/Foreign Producer</b>	<b>Provisional antidumping duty</b>
<b>Belgium</b>	
Evonik Degussa, Germany and Evonik Degussa, Belgium	9.20
All others	84.48
<b>South Korea</b>	
Evonik Degussa, Korea and Evonik Headwaters	14.77
All others	14.77
<b>Thailand</b>	
Thai Peroxide	3.82
All others	25.04
<b>Indonesia</b>	
Evonik Degussa, Indonesia	25.20
All others	25.20
<b>China- All exporters</b>	71.93
<b>Taiwan- All exporters</b>	35.61
<b>Turkey- All exporters</b>	25.61

Provisional anti-dumping duty has not been imposed on following exporters/foreign producers of the investigated product from the Exporting Countries as dumping margins for these exporters/foreign producers were found to be *de minimis* (less than 2%) in terms of Section 41 of the Ordinance during the POI:

- i. OCI Company Limited, Korea;
- ii. OCI Corporation, Korea;
- iii. Hansol Chemical Company Limited, Korea

The 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. The provisional antidumping duties would be collected in the same manner as customs duty under the Customs Act, 1969 (IV of 1969).

**Disclosure meeting:** Pursuant to Rule 11 of the Rules, the exporters/foreign producers of the investigated product 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. +92-51-9202839, 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](http://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 between 1100 hrs to 1300 hrs.

By order of the Commission.

(Muhammad Shahid)  
Secretary  
September 27, 2010