

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

Notice of Final Determination and levy of Definitive Anti-dumping Duties on Dumped 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 (the “Applicants”) 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, Chinese (Taipei), Kingdom of Thailand and Republic of Turkey (the “Exporting Countries”) into Pakistan and material retardation of the establishment of domestic industry manufacturing HP. The Commission made a preliminary determination in this investigation in terms of Section 37 of the Ordinance and provisional anti-dumping duties were levied on imports of HP from the Exporting Countries at the rate ranging from 3.82% to 84.48% for a period of four months from September 27, 2010. In accordance with the Ordinance and the Anti-Dumping Duties Rules, 2001 (the “Rules”), the Commission has made its affirmative final determination as follows:

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 a copy of the 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.

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: The examination has 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 determined 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 weighted average normal value at ex-factory level with the weighted average export price at ex-factory level. The final determination of dumping margins expressed as percentage of weighted average adjusted export price thus work out from 1.07 percent to 124.58 percent for exporters of the Exporting Countries:

Injury to the Domestic Industry: Injury to the domestic industry has been determined in accordance with Part VI of the Ordinance. The Commission has established that the domestic industry has been 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 salaries and wages, negative effect on return on investment and negative effect on ability to raise capital.

Injury Factors other than Dumped Imports: The Commission has also examined factors other than dumped imports, which were causing material retardation to the establishment of the domestic industry. Analysis showed that the domestic industry was materially retardation due to dumped imports from the Exporting Countries.

Imposition of Definitive Antidumping Duty: In reaching this final 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 retardation to the establishment of domestic industry the

Commission, pursuant to the powers conferred upon it under Section 50 of the Ordinance, has decided to impose definitive antidumping duties on HP importable from the Exporting Countries as given in the following table for a period of five years effective from September 27, 2010. The antidumping duty rates are determined on C&F value in *ad val.* terms.

Exporter/Foreign Producer	Definitive antidumping duty (%)
Evonik Degussa, Germany and Evonik Degussa, Belgium	9.20
All other exporters from Belgium	84.48
Evonik Degussa, Korea and Evonik Headwaters, Korea	14.77
All other exporters from Korea	14.77
Thai Peroxide, Thailand	3.52
All other exporters from Thailand	25.04
Evonik Degussa, Indonesia	25.20
All other exporters from Indonesia	25.20
All exporters from China	71.93
All exporters from Taiwan	35.61
All exporters from Turkey	25.61

Definitive anti-dumping duties 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 definitive antidumping duties shall be deposited in Commission's Non-lapsable PLD Account No. 187 with Federal Treasury Office Islamabad. The definitive 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 16 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.

Further Information: A non-confidential version of the report on final 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. 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
July 06, 2011