REPORT NO. 676

SUNSET REVIEW INVESTIGATION OF THE ANTI-DUMPING DUTIES ON POLYETHYLENE TEREPHTHALATE ("PET") ORIGINATING IN OR IMPORTED FROM CHINESE TAIPEI, INDIA AND THE REPUBLIC OF KOREA (SOUTH KOREA): FINAL DETERMINATION

The International Trade Administration Commission of South Africa herewith presents its **REPORT NO. 676: SUNSET REVIEW INVESTIGATION OF THE ANTI-DUMPING DUTIES ON POLYETHYLENE TEREPHTHALATE ("PET") ORIGINATING IN OR IMPORTED FROM CHINESE TAIPEI, INDIA AND THE REPUBLIC OF KOREA (SOUTH KOREA): FINAL DETERMINATION**

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CHIEF COMMISSIONER

PRETORIA
22 / 11 / **2021**

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

SUNSET REVIEW INVESTIGATION OF THE ANTI-DUMPING DUTIES ON POLYETHYLENE TEREPHTHALATE ("PET") ORIGINATING IN OR IMPORTED FROM CHINESE TAIPEI, INDIA AND THE REPUBLIC OF KOREA (SOUTH KOREA): FINAL DETERMINATION

SYNOPSIS

On 03 July 2020, the International Trade Administration Commission of South Africa (the "Commission" or "ITAC") notified interested parties through Notice No. 367 of 2020 in *Government Gazette* No. 43495, that unless a substantiated request is made indicating that the expiry of the anti-dumping duties against imports of polyethylene terephthalate ("PET" or "subject product") originating in or imported from Chinese Taipei, India and the Republic of Korea ("South Korea") would likely lead to the continuation or recurrence of dumping and injury, the anti-dumping duties on PET originating in or imported from Chinese Taipei, India and South Korea will expire on 07 July 2021.

A detailed response to the Commission's sunset review questionnaire was received from Safripol (Proprietary) Limited (the "Applicant") on 08 February 2021. After all deficiencies were identified and addressed, an updated final application was received on 14 April 2021.

On 18 June 2021, the Commission initiated a sunset review investigation of the anti-dumping duties on PET originating in or imported from Chinese Taipei, India and South Korea through Notice No. 369 of 2021 in *Government Gazette* No. 44724.

The investigation was initiated after the Commission considered that the Applicant submitted *prima facie* evidence that the expiry of the anti-dumping duties on PET originating in or imported from Chinese Taipei, India and South Korea would likely lead to the continuation or recurrence of dumping and the recurrence of material injury. Subsequent to initiation of the investigation, all known producers/exporters of the subject product in Chinese Taipei, India and South Korea were sent foreign manufacturers/exporters questionnaires to complete. Importers of the subject product were also sent questionnaires to complete. No

properly documented responses were received from any exporter/manufacturer in Chinese Taipei, India and South Korea nor from any importer in the Southern African Customs Union ("SACU").

The Commission noted comments received from one exporter from Chinese Taipei, namely, Far Eastern New Century Corporation ("Far Eastern"). Far Eastern made comments but did not properly complete the exporter's questionnaire.

One importer, Coca Cola Beverages South Africa (Pty) Ltd ("CCBSA"), responded to the Commission's sunset review investigation. The Commission however found that CCBSA did not import the subject product from the subject countries during the period of investigation and was therefore, not regarded as an interested party for purposes of this sunset review investigation, within the meaning of the ADR.

On 13 September 2021, the Commission sent out "Essential facts" letters to all interested parties. The deadline for comments from interested parties was 27 September 2021.

On 27 September 2021, a response to the Commission's "Essential facts" letter was received from the Applicant stating that it welcomes, agrees with, and supports the Commission's proposed final determination that the expiry of the anti-dumping duties imposed on PET would likely lead to the recurrence or continuation of dumping of the subject product originating in/or imported from Chinese Taipei, India and South Korea.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the current anti-dumping duties on polyethylene terephthalate originating in or imported from Chinese Taipei, India and South Korea be maintained.

1. APPLICATION AND PROCEDURE

1.1 LEGAL FRAMEWORK

This investigation was conducted in accordance with the International Trade Administration Act, 2002 ("ITA Act"), and the International Trade Administration Commission Anti-Dumping Regulations ("ADR"), read with the World Trade Organization Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, 1994 ("ADA").

1.2 APPLICANT

The application was lodged by Safripol (Proprietary) Limited, being the major producer of the subject product in the SACU.

1.3 INVESTIGATION PROCESS

On 03 July 2020, ITAC notified interested parties through Notice No. 367 of 2020 in *Government Gazette* No. 43495, that unless a substantiated request is made indicating that the expiry of the anti-dumping duties against imports of polyethylene terephthalate ("PET" or "the subject product") originating in or imported from Chinese Taipei, India and South Korea would likely lead to the continuation or recurrence of dumping and injury, the anti-dumping duties on polyethylene terephthalate originating in or imported from Chinese Taipei, India and South Korea will expire on 07 July 2021.

A detailed response to the Commission's sunset review questionnaire was received from Safripol (Proprietary) Limited (the "Applicant") on 08 February 2021. After all deficiencies were identified and addressed, an updated final application was received on 14 April 2021.

Notice of initiation of the investigation was published through Notice No. 369 of 2021 in the *Government Gazette* No. 44724 on 18 June 2021, and the deadline for comments was 28 July 2021. Essential facts letters were sent to interested parties on 13 September 2021 and the deadline for comments was 27 September 2021. Comments on the Commission's essential facts letters were received from the Applicant only.

1.4 INVESTIGATION PERIOD

The investigation period for dumping was from 1 December 2019 to 30 November 2020, and the injury investigation involved evaluation of data for the period of 1 December 2017 to 30 November 2020, and an estimate for 2021 in the event the anti-dumping duties expire.

1.5 PARTIES CONCERNED

1.5.1 SACU industry

Safripol (Proprietary) Limited, being the major producer of the subject product in the SACU lodged the application.

The Commission made a final determination that the application can be regarded as being made "by or on behalf of the domestic industry" under the provisions of the ADR.

1.5.2 Foreign Manufacturers/Exporters

No properly documented responses were received from any of the interested parties in the investigation.

1.5.3 Importers

No properly documented responses were received from any of the interested parties in the investigation.

1.6 Comments

1.6.1 One exporter in Chinese Taipei submitted comments on the Commission's sunset investigation:

- Far Eastern New Century Corporation ("Far Eastern")

1.6.2 One importer in SACU submitted comments on the Commission's sunset review investigation:

- Coca Cola Beverages South Africa (Pty) Ltd ("CCBSA")

1.6.3 The Commission also received Comments from the Government of Chinese Taipei.

Comments received from Far Eastern New Century Corporation (Far Eastern)

Far Eastern stated that the Applicant did not suffer material injury during investigation period

of 2017/12/1 to 2020/11/30, or that any injury alleged to be suffered by the Applicant was not caused by imports from the Chinese Taipei and therefore the current anti-dumping measure applicable to imports of PET from the Chinese Taipei should be allowed to expire. It further stated that the Applicant (previously known as Hosaf) has been the only PET producer in South Africa at all times and it has benefited tremendously at the detriment of the downstream customers operating in South Africa by being shielded from fair global competition protected by increasing custom duties and "everlasting" anti-dumping duties for imports to South Africa.

Far Eastern further stated that the Applicant's PET operation is profitable and suffers no injury. Far Eastern went on to say during the injury investigation period, Chinese Taipei has had negligible imports to South Africa, and China is the largest exporter of PET to South Africa. According to Far Eastern the Applicant announced its PET expansion to increase its production capacity from 128,000 tons per annum to 240,000 tons per annum in 2015. Far Eastern stated that it is evident that the Applicant suffered injury during 2017/2018 as the PET Expansion Project was delayed.

Far Eastern stated that the Applicant's PET production is uncompetitive as it relies 100% on imported raw material. According to Far Eastern, Purified Terephthalic Acid ("PTA") is the basic raw material required to produce and it accounts for close to 80% of PET production cost. Since there is no PTA production in South Africa, the Applicant has to rely 100% on imported PTA. Far Eastern also went on to say any injury allegedly suffered by the Applicant has been clearly caused by imports from China and European Union.

Applicant's response on comments by Far Eastern

The Applicant stated that Far Eastern does not deal with dumping and elects only to deal with injury. According to the Applicant most of the submissions made by Far Eastern are largely irrelevant in a sunset review. The Applicant stated that the test in a sunset review is whether the expiry of the anti-dumping duties will lead to the continuation or recurrence of dumping and material injury. Even if Applicant was shielded from international competition (which is denied), this has nothing to do with the expiry of the anti-dumping duties. It is the nexus between the expiry of the anti-dumping duties and the continuation or recurrence of dumping and injury that is relevant. Applicant has shown that the expiry of the anti-dumping

duties will lead to a continuation and/or recurrence of dumping and material injury and accordingly has satisfied the test.

The Applicant further stated that the existing anti-dumping duties protect it from unfair global competition. Anti-dumping duties, by their very nature, protect domestic industries from injurious dumping, which is an unfair trade practice. An evaluation of material injury cannot be done on the basis of only a few indicators, but must be assessed holistically. The Applicant also stated that from the information contained in the Application, it is clear that of the 15 material injury indicators set out in Regulation 13 of the Anti-Dumping Regulations, Applicant has experienced 12 of the material injury indicators in the period December 2017 to November 2020 and Applicant forecasts that it will experience 15 of the material injury indicators if the anti-dumping duties expire. This clearly shows that Applicant has experienced material injury and that the expiry of the anti-dumping duties will lead to a continuation and/or recurrence of material injury.

The Applicant submits that the fact that imports from other countries (and not imports from the dumping countries) caused the material injury during the period of investigation for injury is simply because exporters in the dumping countries are not able to export the subject product to SACU without dumping. If the anti-dumping duties expire, this will lead to a recurrence of dumping and a continuation and/or recurrence of material injury.

Comments received from Coca Cola Beverages South Africa (Pty) Ltd (CCBSA)

CCBSA stated that this is the third sunset review since the anti-dumping duties were initially introduced in 2006. No exporter responses were received or accepted as complete in either of the two previous sunset reviews as the duties initially introduced in 2005/2006 were maintained. It stated that one cannot simply analyze the information based on what has happened since 2017, being the injury period covered in the current Applicant's application. When considering the merit of the current application it is of the utmost importance to compare the most recent information with the information that led to the imposition of the anti-dumping duties in the first place. CCBSA stated that according to ITAC's final report on the original investigation issued in 2006, (Report No. 154) the original duties were imposed at the following rates: Chinese Taipei – 75%; India 54.1%; South Korea – 19.7%.

The duties have now been in place since 7 October 2005 when the preliminary duties in the initial investigation were imposed and the Applicant is effectively requesting the duties to be maintained for another 5 years from the date ITAC finalises its review.

CCBSA also stated that it is also key to note that during the past 15 years no exporters in any of the export countries applied for a new shipper review or a changed circumstance review. With the duties merely being maintained at the levels initially imposed in 2005, it would also appear that no exporters responded in any of the two sunset reviews already concluded.

CCBSA further stated that the Applicant was not able to secure pure terephthalic acid ("PTA") material timeously in order to meet their production requirements. PTA is a raw material, critical for the production of PET resin which Applicant supply to CCBSA and its converters. No solution was offered by Applicant to close this gap in supply, which they estimated to be for approximately three weeks. According to CCBSA Applicant requested that CCBSA import PET resin from an alternative source to close the gap. Resin producers globally offer customers the opportunity to hedge PET resin. This allows the customer the opportunity to book PET resin pricing when the commodity is trading at low levels. The Applicant is the only PET resin producer which CCBSA deals with that does not offer this service. As a result of this, Applicant offer no price protection to their local customer base.

Applicant's response on comments by CCBSA

The Applicant stated that in addition to not having submitted a properly documented response, CCBSA has not complied with the confidentiality requirements of the International Trade Administration Act 71 of 2002 (the "ITA Act") and the Anti-Dumping Regulations.

It further stated that the non-confidential versions of paragraphs A11, B1.9 and B1.10 and Section C do not comply with the requirements of the ITA Act and the Anti-Dumping Regulations in that CCBSA has not supplied either (i) a non-confidential summary that is in sufficient detail to permit other interested parties a reasonable understanding of the substance of the information submitted in confidence or (ii) a sworn statement setting the reasons why it is not possible for CCBSA to do so. The Applicant requested the Commission to instruct CCBSA to provide a proper non-confidential version that complies with the

requirements of the ITA Act and the Anti-Dumping Regulations, alternatively, the Commission should disregard CCBSA's submissions.

The Applicant stated that it submits that the fact that no exporter or foreign producer has availed themselves of the various opportunities to provide the Commission with information that would show that the expiry of the anti-dumping duties would not lead to the continuation and/or recurrence of dumping suggests that no such information exists. If an exporter in any of the dumping countries felt that it had compelling evidence to show that dumping would not recur, it would have approached the Commission for a changed circumstance or new shipper review or cooperated fully in either the previous or the current sunset reviews. The Applicant stated that it has satisfied the requirements of a sunset review, namely, that the expiry of the anti-dumping duties will lead to the continuation and/or recurrence of dumping and material injury.

Commission's determination

The Commission noted that sunset review investigations are conducted every five years, should the SACU industry make a request and submit a prima facie evidence that the expiry of the anti-dumping duties would likely lead to the continuation or recurrence of dumping and material injury.

The Applicant made such a request on behalf of the industry and provided sufficient evidence indicating that the expiry of the anti-dumping duties would likely lead to the continuation and/or recurrence of dumping and the recurrence of material injury.

Directly identified importers and exporters were notified and provided with non-confidential version of the application as well as Commission's importer and exporter questionnaire. Although Far Eastern made comments on the Commission's initiation notice, it did not complete the Commission exporter's questionnaire. Far Eastern did not provide the Commission with a properly documented response to enable the Commission to take its (Far Eastern) information into account in making a final determination. Even though CCBSA responded to the Commission's importers questionnaire it was found that did not import the subject product during the period of investigation. The Commission had to make a determination based on the best information available, being that provided by the Applicant.

Comments by the Government of Chinese Taipei (Taiwan)

The Government of Chinese Taipei stated that South Africa's import tariffs on PET products have been raised from 10% to 15% since 2020. Due to the high tariff rate of 15%, imported PET products from Taiwan cannot compete with SACU domestic products.

It further stated that according to data on imports of PET products to the SACU, almost no PET products were imported from Chinese Taipei between 2016 and 2020. PET products from Chinese Taipei are extremely unlikely to have caused material injury to the SACU industry. Hence, it respectfully urged the Commission to carefully consider the aforementioned reasons and terminate the anti-dumping measures on PET products from the Chinese Taipei.

Commission's determination

The Commission considered that no exporter in Chinese Taipei submitted a properly documented response to the Commission's exporter questionnaire. Therefore, the Commission made a final determination based on the best information available, being that submitted by the Applicant. Furthermore, it should be borne in mind that this is a sunset review, where the Commission is required to make a determination on the likelihood of continuation and recurrence of dumping and material injury. Therefore, even if there were limited or no imports from the countries subject to this review, the Commission can still, based on information available, make a determination that the expiry of the duties will lead to the recurrence of dumping and injury.

1.7 Final determination

The Commission made a final determination that the expiry of the anti-dumping duties on the subject product originating in or imported from Chinese Taipei, India and South Korea would likely lead to the continuation or recurrence of dumping and the recurrence of material injury.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the current anti-dumping duties on polyethylene

terephthalate originating in or imported from Chinese Taipei, India and South Korea be maintained.

2. PRODUCTS, TARIFF CLASSIFICATION AND DUTIES

2.1 Product

2.1.1 Description

The subject product is described as polyethylene terephthalate (PET), bottle-grade resin having an intrinsic viscosity (IV) of greater than 0.68 deciliters per gram. The Applicant stated that the product is a direct substitute for the SACU manufactured product.

2.1.2 Like product

In the original investigation the Commission found that the SACU product and the imported product are "like products" for purposes of comparison in terms of Article 2.6 of the Anti-Dumping Agreement and the definition of "like products" in the Anti-Dumping Regulations.

2.1.3 Tariff classification

The subject product is classifiable as follows:

Tariff position up to 31 December 2014

Table 2.1.3 (a): Tariff classification

Tariff subheading	Description	Statistical Unit	Rate of customs duty			
			General	EU	EFTA	SADC
3907.	**Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resin, polyallyl esters and other polyesters, in primary forms:**	kg				
3907.60	Poly(ethylene terephthalate):					
3907.60.10	- Liquids and pastes		Free	Free	Free	Free
3907.60.90	- **Other**		**10%**	**2.5%**	**6.3%**	**Free**

Tariff position as from 01 January 2015

Table 2.1.3 (b): Tariff classification

Tariff heading	Tariff subheading	Description	Stats unit	Rate of duties			
				General	EU	EFTA	SADC
3907.60		-Poly(ethylene terephthalate):					
	3907.60.1	- - Liquids and pastes:					
	3907.60.11 3907.60.19	---Virgin ---Other	kg kg	free free	free free	free free	free free
	3907.60.9	--Other					
	3907.60.91 3907.60.99	---Virgin ---Other	kg kg	10% 10%	free free	free free	free free

2.1.4 Other applicable duties

The following anti-dumping duties are applicable:

Table 2.1.4: Other applicable duty

Rate of customs Duties	Description	Statistical Unit	Rate of anti-dumping duty		
			Chinese Taipei	India	South Korea
3907.60 3907.60.90 3907.60.90	Poly(ethylene terephthalate), in primary forms (excluding liquids and pastes)	kg	75%	54.1%	19.7%

Since no properly documented responses were received from any manufacturer in Chinese Taipei, India and South Korea and imports are at their lowest from these countries, it is proposed that the Commission recommend to the Minister of Trade, Industry and Competition that the current anti-dumping duties on PET originating in or imported from India, Chinese Taipei and South Korea be maintained.

3. INDUSTRY STANDING

Safripol (Proprietary) Limited is the major producer of the subject product in the SACU.

The Commission made a final determination that the application can be regarded as being made "by or on behalf of the domestic industry" in terms of Section 7 of the ADR.

4. CONTINUATION OR RECURRENCE OF DUMPING

The margin of dumping is calculated by subtracting the export price from the normal value of the subject product (after all adjustments have been made). The margin is then expressed as a percentage of the Free on Board (F.O.B) export price. If the margin is less than two percent, it is regarded as *de minimis* in terms of ADR 12.3 and no anti-dumping duty will be imposed.

4.1 METHODOLOGY FOR ALL MANUFACTURERS/EXPORTERS FROM CHINESE TAIPEI

4.1.1 Normal Value

As there were no properly documented responses received from any exporter/manufacturer in Chinese Taipei, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In determining the normal value for Chinese Taipei, the Commission accepted selling price information from an international publication, "PET Monthly Business Report" provided by Wood Mackenzie Limited titled ("PCI Reports") for the period 1 December 2019 – 30 November 2020. The domestic selling price was determined to be 772.08 USD/tonne.

Adjustments to the normal value

The delivered domestic price for Chinese Taipei was adjusted to an ex-factory normal value using a domestic transport adjustment for Chinese Taipei, which is based on a quotation provided by Agility Global Integrated Logistics, which includes 'Pick-Up Charges'. The transport cost adjustment was determined to be 12.60 USD/tonne.

Ex-factory Normal value

The ex- factory normal value was determined as follows:

	USD/tonne
Normal value	772.08
Less: transport cost adjustment	(12.60)
Ex-factory normal value	759.48

4.1.2 Export Price

As there were no properly documented responses received from any exporter/manufacturer in Chinese Taipei, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In the absence of imports from Chinese Taipei, the Commission considered the best information available, being F.O.B export prices for each of the alleged dumping countries based on information obtained from the Independent Commodity Intelligence Services (ICIS) for the period 01 December 2017 – 30 November 2020 provided by the Applicant. The export price for Chinese Taipei was determined to be 765.19 USD/tonne.

Adjustments to the export price

The Applicant provided a quotation from Agility Global Integrated Logistics to substantiate its claim for the adjustment from F.O.B to Ex-factory price. The Commission decided to allow the adjustment and the ex-factory export price was determined to be 26.60 USD/tonne.

Ex-factory Export price

The ex- factory export price was determined as follows:

	USD/tonne
Export price	765.19
Less: adjustments	(26.60)
Ex-factory export price	738.59

4.1.3 Margin of Dumping

The margin of dumping was determined as follows:

Margin of dumping

	USD/tonne
Normal value	759.48
Export price	(738.59)
Margin of dumping	20.89
Margin of dumping as a % of export price	2.80%

Based on the above information, the Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from Chinese Taipei should the anti-dumping duties expire.

4.2 METHODOLOGY FOR ALL MANUFACTURERS/EXPORTERS FROM INDIA

4.2.1 Normal Value

As there were no properly documented responses received from any exporter/manufacturer in India, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In determining the normal value for India, the Commission accepted selling price information from an international publication, "PET Monthly Business Report" provided by Wood Mackenzie Limited titled ("PCI Reports") for the period 1 December 2019 – 30 November 2020. The domestic selling price was determined to be 1085.11 USD/tonne.

Adjustments to the normal value

The delivered domestic price for India was adjusted to an ex-factory normal value using a domestic transport adjustment for India, which is based on a quotation provided by a logistics company in India. The transport cost adjustment was determined to be 11.80 USD/tonne.

Ex-factory Normal value

The ex- factory normal value was determined as follows:

	USD/tonne
Normal value	1085.11
Less: adjustments	(11.80)
Ex-factory normal value	1073.31

4.2.2 Export price

As there were no properly documented responses received from any exporter/manufacturer in India, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In the absence of imports from India, the Commission considered the best information

available, being F.O.B export prices for each of the alleged dumping countries based on information obtained from the Independent Commodity Intelligence Services (ICIS) for the period 01 December 2017 – 30 November 2020 provided by the Applicant. The F.O.B selling price for India was determined to be 723.98 USD/tonne.

Adjustments to the export price

The Applicant provided a quotation from a logistics company in India to substantiate its claim for the adjustment from F.O.B to Ex-factory price. The Commission decided to allow the adjustment and the ex-factory export price was determined to be 25.65/tonne

Ex-factory Export price

The ex- factory export price was determined as follows:

	USD/tonne
Export price	723.98
Less: adjustments	(25.65)
Ex-factory export price	698.33

4.2.3 Margin of dumping

The margin of dumping was determined as follows:

Margin of dumping

	USD/tonne
Normal value	1073.31
Export price	(698.33)
Margin of dumping	374.94
Margin of dumping as a % of export price	53.70%

Based on the above information, the Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from India should the anti-dumping duties expire.

4.3 METHODOLOGY FOR ALL MANUFACTURERS/EXPORTERS FROM SOUTH KOREA

4.3.1 Normal Value

As there were no properly documented responses received from any exporter/manufacturer in South Korea, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In determining the normal value for South Korea, the Commission accepted selling price information from an international publication, "PET Monthly Business Report" provided by Wood Mackenzie Limited titled ("PCI Reports") for the period 1 December 2019 – 30 November 2020. The domestic selling price for South Korea was determined to be 761.67 USD/tonne.

Adjustments to the normal value

The delivered domestic price for South Korea was adjusted to an ex-factory normal value using a domestic transport adjustment for South Korea, which is based on a quotation provided by a logistics company. The transport cost adjustment was determined to be 21.68 USD/tonne.

Ex-factory Normal value

The ex- factory normal value was determined as follows:

	USD/tonne
Normal value	761.67
Less: adjustments	(21.68)
Ex-factory normal value	739.99

4.3.2 Export price

As there were no properly documented responses received from any exporter/manufacturer in South Korea, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In the absence of imports from South Korea, the Commission considered the best information available, being F.O.B export prices for each of the alleged dumping countries based on information obtained from the Independent Commodity Intelligence Services (ICIS) for the period 01 December 2017 – 30 November 2020 provided by the Applicant. The F.O.B

export price for South Korea was determined to be 740.00 USD/tonne.

Adjustments to the export price

The Applicant provided a quotation from Agility Global Integrated Logistics to substantiate its claim for the adjustment from F.O.B to Ex-factory price. The Commission decided to allow the adjustment and the ex-factory export price was determined to be 33.68/tonne.

Ex-factory export price

The ex- factory export price was determined as follows:

	USD/tonne
Export price	740.00
Less: adjustments	(33.68)
Ex-factory export price	706.32

4.3.3 Margin of dumping

The margin of dumping was determined as follows:

Margin of dumping

	USD/tonne
Normal value	739.99
Export price	(706.32)
Margin of dumping	33.67
Margin of dumping as a % of export price	4.76%

Based on the above information, the Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from South Korea should the anti-dumping duties expire.

Commission's determination

The Commission determined that its practice is to use South African Revenue Service

(SARS) statistics to determine the export price. As there were no responses from exporters/producers of the subject product after initiation and since various attempts were made by the Applicant to obtain export prices, but none were successful, including the use of SARS statistics, the Commission made a final determination that the export price be determined using the export price information obtained by the Applicant in determining the dumping margin.

4.4 FINAL DETERMINATION: DUMPING

Based on the above information, the Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from Chinese Taipei, India and South Korea should the anti-dumping duties expire.

5. CONTINUATION OR RECURRENCE OF MATERIAL INJURY

5.1 DOMESTIC INDUSTRY – MAJOR PROPORTION OF PRODUCTION

The following injury analysis relates to Safripol (Proprietary) Limited, the major producer of PET in the SACU. The Commission decided that this constitutes "a major proportion" of the total domestic production, in accordance with the ADR.

5.2 IMPORT VOLUMES AND THE EFFECT ON PRICES

5.2.1 Import volumes

The following table shows the volume of allegedly dumped imports of the subject product obtained from SARS:

Table 5.2.1: Import volumes: polyethylene terephthalate

Country	2017/2018	2018/2019	2019/2020	Estimates if duties expire
Dumped imports (Kg):				
Chinese Taipei	0	0	1100	Increase
India	100	22,305	0	Increase
South Korea	0	0	0	Increase
Other imports (Kg)	139,795,009	73,721,987	62,668,063	Decrease
Total Imports:	139,795,109	73,744,292	62,669,163	Decrease
Dumped imports as a % of total imports:				
Chinese Taipei	0.00%	0.00%	0.00%	Increase
India	0.00%	0.03%	0.00%	Increase
South Korea	0.00%	0.00%	0.00%	Increase
Other imports as a % of total imports	100%	99.97%	100%	Increase
Total %	100%	100%	100%	Increase

The Applicant stated that the expiry of anti-dumping duties would lead to a substantial increase in the import volume of dumped imports, as low, dumped prices will encourage downstream users to increase their imports, instead of purchasing from SACU producers. The Applicant also stated that these increased volumes of dumped imports of the subject product will enter the SACU market at low dumped prices.

According to the Applicant the expiry of the duties will also lead to a continuation or recurrence of material injury as dumped imports at low prices will cause, *inter alia*, a rapid and significant increase in the volume and market share of dumped imports and a concurrent reduction in the SACU producers' SACU sales and production volumes and market share, which in turn will lead to a decline in profitability and return on investment.

5.2.2 Effect on Domestic Prices

5.2.2.1 Price undercutting

Price undercutting is the extent to which the price of the imported product is lower than the price of the SACU product.

Table 5.2.2.1: Price undercutting

R	2017/2018	2018/2019	2019/2020	Estimates if duties expire
Applicant's ex-factory selling price	100	98	79	Increase
Landed cost of imports from				
- Chinese Taipei	-	-	44.15	Increase
- India	31.57	15.51	-	Increase
- South Korea	-	-	-	Increase
Undercutting per kg				
- Chinese Taipei	-	-	Negative	Increase
- India	100	Negative	-	Increase
- South Korea	-	-	-	Increase
Undercutting per %				
- Chinese Taipei	-	-	Negative	Increase
- India	100	Negative	-	Increase
- South Korea	-	-	-	Increase

Tables indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that as there were no commercial volume of imports from the alleged dumping countries, if the anti-dumping duties expire, it is expected that it will experience price undercutting, despite significant discounts which are offered to local customers, which significantly decrease its profitability and return on investment.

The Applicant also stated that the expiry of the anti-dumping duties may also force it to maintain or increase the discounts offered, which would result in it suffering price suppression and/or depression. The Applicant stated that if it were to increase its prices

in line with the increases in total costs (in order to avoid price suppression), it is expected that it would experience significant price disadvantage, at more than double the margin of price undercutting. The Applicant went on to say that, this would lead to a further shift in volumes to alleged dumped imports, which in turn would necessitate a further increase in prices. In the long term, Applicant will not be able to sustain operations at its plant whilst facing unfair competition from alleged dumped imports and will likely have to consider closing the plant permanently and retrenching all employees.

5.2.2.2 Price depression

The table below shows the Applicant's selling price for the injury period beginning 1 December 2019 to 30 November 2020, and an estimate in the event of the duties expiring:

Table 5.2.2.2: Price depression

R/kg	2017/2018	2018/2019	2019/2020	Estimates if duties expire
Ex-factory price per unit	100	88	76	76

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of price depression between 2017/2018 to 2018/2019 and 2018/2019 to 2019/2020, which is expected to continue if the anti-dumping duties expire. It further stated that this decrease in prices, combined with a concurrent increase in per unit costs, will result in it selling the product at a loss, which is not sustainable. The Applicant further stated that it might also depress prices further, because of the expected flood of alleged dumped imports. According to the Applicant this will lead to further material injury. The expiry of the anti-dumping duties is therefore expected to lead to a continuation of material injury in the form of price depression.

5.2.2.3 Price suppression

The following table shows the Applicant's costs of production and its selling prices for the subject product for the years 2017/2018 to 2019/2020, and an estimate in the event the duties expire:

Table 5.2.2.3: Price suppression

	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Your ex-factory price per Kg	100	88	76	76
Your total cost per kg	100	95	82	88
Cost as % selling price	100	106	104	110

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of price suppression between 2017/2018 to 2018/2019 and 2018/2019 to 2019/2020, where it was unable to increase prices in line with increases in costs. According to the Applicant this had a significant negative impact on its profitability and return on investment. The Applicant also stated that if the anti-dumping duties expire, its sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. This will lead to an increase in per unit costs as it will be unable to achieve economies of scale stated the Applicant.

5.2.3 Economic factors and indices having a bearing on the state of the industry

5.2.3.1 Actual and potential decline in volumes

The following table shows the Applicant's sales volume of PET in 2017/2018 to 2019/2020, and an estimate in the event the duties expire:

Table 5.2.3.1 (a): Sales volume

Kg	2017/2018	2018/2019	2019/2020	Estimates if duties expire
Applicant's sales	100	160	162	81

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that if the anti-dumping duties expire, its sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. Thus, if the anti-dumping duties expire, this is expected to lead to a recurrence of material injury in the form of a significant decrease in sales volume.

Table 5.2.3.1 (b): Sales value

Rand value	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Applicant's sales in SACU	100	140	124	62

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of a decline in sales value from 2018/2019 to 2019/2020 and this is expected to continue and worsen if the anti-dumping duties expire, as there will be a preference for alleged dumped imports at dumped prices. According to the Applicant if the anti-dumping duties expire, its sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. The Applicant went on to say this will lead to an increase in per unit costs as it will be unable to achieve economies of scale. The Applicant further stated that at the same time, increased unfair competition from dumped imports will prevent it from increasing prices in line with increased costs (price suppression) and it may also lower prices or offer additional discounts as a consequence of the increase in dumped Imports (price depression). Thus, if the anti-dumping duties expire, this is expected to lead to a continuation of and an increase in material injury in the form of a significant decrease in sales value.

5.2.3.2 Profit

The following table shows the Applicant's profit before interest and tax for the years 2017/2018 to 2019/2020 and an estimate in the event the duties expire:

Table 5.2.3.2: Profit

PET	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Gross profit margin (%) **	100	28	49	-19
Gross profit per kg**	100	24	37	-15
Kg sold: Local (Volumes)	100	160	162	81
Gross profit**	100	39	60	-12
Net profit margin (%) **	100	2	9	-83
Net profit per Kg**	100	2	7	-63
Your Total net profit	100	3	11	-52

Tables indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of declining profitability between 2018/2019 and 2019/2020, when it was unable to increase prices in line with increases in costs. The Applicant also stated that this had a significant negative impact on its return on investment. The Applicant went on to indicate that if the anti-dumping duties expire, its sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. This will lead to increase per unit costs as it will be unable to achieve economies of scale.

5.2.3.3 Output

The following table outlines the Applicant's production volume of the subject product for the years 2017/2018 to 2019/2020 and an estimate in the event duties expire:

Table 5.2.3.3: Output

Kg's	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Applicant's production	100	120	102	62

Tables indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of a decline in output from 2018/2019 to 2019/2020. The Applicant also stated that if the anti-dumping duties expire, its sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. The Applicant went on to say that as a result, it will be forced to reduce their production volumes, since these cannot be sustained at current levels if it is not able to sell the products. This will prevent it from achieving economies of scale. The Applicant further stated that the expected decrease in volumes is also below the minimum volume at which it can run the plant continuously whilst still producing prime products and, as result, it will also have to institute temporary shutdowns of the plant. These would involve significant additional expenses (which have not been included in the estimates) and would further increase the cost of production.

The Applicant stated that this reduction in production and sales volumes, combined with continued inflationary pressure and increased unfair competition from dumped imports, which will prevent it from increasing prices in line with increased costs and may even lead to further depression of prices, is expected to lead to it selling the subject product at a loss, which is

unsustainable. It further stated that, if the anti-dumping duties expire, this is expected to lead to a continuation of, and an increase in, material injury in the form of a significant decrease in output.

5.2.3.4 Market share

The following table shows the market share for the subject product for the years 2017/2018 to 2019/2020 and an estimate in the event the duties expire:

Table 5.2.3.4: Market share (Volume)

	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Market share in volume : Kgs				
Applicant	100	160	162	81
Alleged dumped imports: -Chinese Taipei	0	0	1 100	Increase
-India	100	22 305	0	Increase
-Korea	0	0	0	Increase
Other imports	139,795,009	73,721,987	62,669,163	62,669,163
Total SACU market	Positive	Decrease	Decrease	Decrease
Percentage share held by:				
Applicant	Positive	Increase	Increase	Decrease
Other SACU producers	Positive	Decrease	Decrease	Decrease
% Alleged dumped imports: -Chinese Taipei	Positive	Static	Increase	Increase
-India	Positive	Increase	Decrease	Increase
-Korea	Positive	Static	Static	Increase
Other imports	Positive	Increase	Decrease	Static
Total imports	Positive	Decrease	Decrease	Increase
Total SACU market	Positive	Decrease	Decrease	Decrease

Tables indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that the above table indicates that it has gained market share over the period 2017/2018 to 2019/2020 but if the anti-dumping duties expire the gained market share will decline substantially while the market share of Chinese Taipei, India and South Korea will increase substantially.

The Applicant stated that its market share estimate for 2021 regarding volume is based on its current sales level taking into account that customers representing a significant percentage of the sales volume do import the product or imported previously. According to the Applicant if lower priced products from South Korea, India and Chinese Taipei are again introduced into the SACU market it can reasonably be expected that these customers will shift initially at least a significant per cent of their sourcing in SACU to importing from Chinese Taipei, South Korea and India.

5.2.3.5 Productivity

Using the production and employment figures sourced from the Applicant, its productivity in respect of the subject product was as follows for the years 2017/2018 to 2019/2020, including an estimate in the event the duties expire:

Table 5.2.3.5: Productivity

Kgs	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Total production volume	100	120	102	62
Number of employees (Manufacturing only)	100	97	99	99
Kg per employee	100	123	104	63

Tables indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of a decline in productivity from 2018/2019 to 2019/2020. The Applicant also stated that if the anti-dumping duties expire, its sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. The Applicant went on to say as a result, it will be forced to reduce their production volumes, since these cannot be sustained at current levels if it is not able to sell the products.

The Applicant further stated that despite decreasing production volumes, it will not be able to significantly reduce the number of production employees whilst continuing to operate the plant. Thus, a decrease in production volumes will lead to a significant decline in productivity. The Applicant stated that this is not sustainable and, in the long term, it will not be able to sustain operations at its plant whilst facing unfair competition from dumped imports and will likely have to consider closing the plant permanently and retrenching all employees. The Applicant concluded by saying this clearly demonstrates that the expiry of the anti-dumping duties will lead to the continuation of material injury in the form of a decline in productivity.

5.2.3.6 Return on Investment

The following table shows the Applicant's return on investment on earnings before interest and tax basis, and an estimate in the event the duties expire:

Table 5.2.3.6: Return on investment

	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Net profit (product concerned)	100	3	11	-52
Net assets	100	257	-116	-182
Return on net assets (product)	100	1	-9	28

Tables indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of declining returns on investment from 2018/2019 to 2019/2020 where it was unable to increase prices in line with increases in costs. The Applicant also stated that if the anti-dumping duties expire, sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. This will lead to an increase in per unit costs as Applicant will be unable to achieve economies of scale.

5.2.3.7 Utilization of production capacity

The following table provides the Applicant's capacity and production for the subject products for the years 2017/2018 to 2019/2020 and an estimate in the event the duties expire:

Table 5.2.3.7: Production capacity

Kgs	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Applicant's capacity	100	104	104	104
Applicant's actual production	100	120	102	62
Capacity utilisation (%)	100	115	98	59

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that the capacity is based on its highest production realised. The Applicant also stated that its capacity utilisation estimate is based on its current sales level taking into account that customers representing at least a significant percentage of the sales volume do import the product or imported previously. The Applicant also stated that if lower priced products from Chinese Taipei, India and South Korea are again introduced into the SACU market it can reasonably be expected that these customers will shift initially at least 50 per cent of their sourcing in SACU to importing from Chinese Taipei, India and South Korea. It is estimated that production will be reduced to prevent excessive inventory levels.

The Applicant further stated that if the anti-dumping duties are revoked as a result of reduced sales volume and subsequent reduction in the production volume that capacity utilisation will decline substantially, causing material injury to the SACU industry.

Commission's determination

The information above indicates that the Applicant's actual production will decline and lost to imports if duties expire taking into account a decline that the Applicant has already experienced between the period 2018/2019 and 2019/2020.

5.2.3.8 Actual and potential negative effects of cash flow

The following table provides the Applicant`s cash flow for the years 2017/2018 to 2019/2020 and an estimate in the event the duties expire:

Table 5.2.3.8: Cash flow

Rand	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Cash flow: incoming	100	146	123	62
Cash flow: outgoing	-100	-142	-124	-65
Net cash flow	100	183	110	27

Tables indexed due to confidentiality using 2017/2018 as base year

The information in the table above indicates that the Applicant's cash flow increased over the period 2017/2018 to 2019/2020. The Applicant stated that if the anti-dumping duties expire, its sales volumes are expected to decline as downstream users can be expected to increase their imports from the alleged dumping countries at dumped prices. At the same time, increased unfair competition from dumped imports will prevent it from increasing prices in line with increased costs (price suppression) and it may also lower prices or offer additional discounts as a consequence of the increase in dumped imports (price depression).

The Applicant further stated that combined effect of reduced sales volumes and low or decreasing prices will result in a significant decrease in its sales value, which will result in a significant decrease in incoming cash flow and net cash flow. The Applicant went on to say it will also continue to face increased expenses as a result of inflationary pressures and fixed costs will not decrease as volumes decrease, which will lead to increased outgoing cash flow per unit. As a result, the expiry of the anti-dumping duties will lead to a continuation or recurrence of material injury in the form of reduced cash flow.

5.2.3.9 Inventories

The Applicant provided the following levels of inventories for 2017/2018 to 2019/2020 and an estimate in the event the duties expire:

Table 5.2.3.9: Inventories

	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Volume – Kg's	100	140	162	159
Value – (Rands)	100	169	133	130

Tables indexed due to confidentiality using 2017/2018 as base year

The table above indicates that the Applicant's inventory levels have been increasing. The Applicant stated that inventory levels are estimated to increase substantially if the anti-dumping duties are revoked as the SACU industry will not be in a position to compete with the low priced imports from Chinese Taipei, India and South Korea, and if production is not reduced (impacting on economies of scale) the inventories would escalate to high levels causing the SACU industry to suffer material injury.

5.2.3.10 Employment

The following table shows the Applicant's employment level for the years 2017/2018 to 2019/2020 and an estimate in the event of the duties expire:

Table 5.2.3.10: Employment

	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Direct labour units: production	100	97	99	99
Total labour units: production	100	101	88	88

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that it experienced material injury in the form of declining employment between 2017/2018 to 2018/2019 and 2018/2019 to 2019/2020. The Applicant also stated that despite decreasing production volumes, it will not be able to reduce their number of production employees whilst continuing to operate the plant. As such, the expiry of anti-dumping duties will not have an impact on employment in the short term. However, in the long term, it will not be able to sustain operations at its plant whilst facing unfair competition from dumped imports and will likely have to consider closing the plant permanently and retrenching all employees.

5.2.3.11 Wages

Using the production wages and employment figures sourced from the Applicant, its production wages per employee in respect of the subject products is as follows, including an estimate in the event of the duties expire:

Table 5.2.3.11: Wages

Rand	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Direct Wages: Production	100	85	85	89
Remuneration per Production Employee	100	88	86	90

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that despite decreasing production volumes, it will not be able to significantly reduce their number of production employees whilst continuing to operate the plant. The Applicant also stated that at the same time, it will have to continue paying increased wages to employees. This will lead to an increase in wages, which, when combined with expected lower sales volumes, will result in increased costs and reduced profitability and return on investment.

The Applicant concluded by saying in the long term, it will not be able to sustain operations at its plant whilst facing unfair competition from dumped imports and will likely have to consider closing the plant permanently and retrenching all employees.

5.2.3.12 Growth

The following table provides the Applicant's growth information for the years 2017/2018 to 2019/200 and an estimate in the event of the duties expire:

Table 5.2.3.12: Growth

	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Size of the SACU market	Positive	Decrease	Decrease	Decrease
% growth from previous year	Positive	Decrease	Decrease	Increase
Applicant's sales volume (Kg)	100	160	162	81
Applicant's growth %	0	100	3	-84
Rest of SACU producers volume	Positive	Increase	Increase	Decrease

Tables indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that its growth estimate for 2021 is based on the current sales level taking into account that customers representing at least a significant percentage of the sales volume imported the subject product previously. The Applicant also stated that if lower priced products from the alleged dumping countries are again introduced into the SACU market it can reasonably be expected that its current customers will shift (initially at least) their sourcing in SACU to importing from the alleged dumping countries. The Applicant estimated that production will be reduced to prevent excessive inventory levels.

5.2.3.13 Ability to raise capital or investments

The following table provides the Applicant's ability to raise capital and investment for the years 2017/2018 to 2019/2020 and an estimate in the event the duties expire:

Table 5.2.3.13: Ability to raise capital or investment

Rand	2017/2018	2018/2019	2019/2020	Estimate if duty expires
Total capital/investment in the subject product	100	121	99	99
Capital expenditure during year on subject product	100	18	17	0

Table indexed due to confidentiality using 2017/2018 as base year

The Applicant stated that if the anti-dumping duties expire, it will not be able to achieve returns on its investment and as such will not be able to raise capital to expand current production or to expand into recycled PET.

Comments by the Applicant

The Applicant stated that it agrees with and supports the Commission's proposed final determination that it experienced injury in the form of decline in profit, return on investment, capacity utilisation and decline in employment during the period December 2017 to November 2020.

The Applicant also stated that it has also experienced material injury in the form of price depression, price suppression, decline in output, decline in productivity, decline in cash flow, increase in inventories, decline in wages, and decline in the ability to raise capital or investments during the period December 2017 to November 2020.

The Applicant further stated that it agrees with the Commission's proposed final determination that the expiry of the anti-dumping duty will result in it experiencing material injury in the form of price suppression, decline in sales volume, decline in profit, decline in output, decline in market share, decline in productivity, decline in capacity utilisation, decline in cash flow, increase in inventories, decline in employment and decline in wages.

The Applicant submits, however, that the expiry of the anti-dumping duty will also result in it experiencing material injury in the form of decline in return on investment, decrease in SACU industry share of the growth of SACU market and decline in ability to raise capital or investments.

The Applicant went on to state that it noted the Commission's proposed final determination that the expiry of the duties would likely lead to the recurrence of material injury but submitted that it has shown that the expiry of the anti-dumping duties will lead to the continuation and/or recurrence of material injury.

Commission's determination

The Applicant is correct to indicate that the information it provided proves that it is experiencing material injury. However, the Commission is of the view that since there are no

commercial quantities of imports of the subject product it cannot be stated that there would be continuation of material injury as the injury that the Applicant is experiencing currently are not as a result of imports from the subject countries. Further, the Commission initiated the investigation based on prima facie information regarding the recurrence of material injury.

After considering the comments received, the Commission made a final determination that the expiry of the anti-dumping duties on polyethylene terephthalate originating in or imported from Chinese Taipei, India and South Korea would likely lead to the continuation or recurrence of dumping and the recurrence of material injury.

5.3 CONCLUSION – RECURRENCE OF MATERIAL INJURY

After considering all the information available, the Commission made a final determination that the expiry of the anti-dumping duties would likely lead to the recurrence of material injury.

6. FINAL DUTIES

6.1 Amount of duties

The table below is provided for the purposes of comparison between the applicable anti-dumping duties and the calculated anti-dumping margin in the investigation:

Item	Tariff Heading	Code	CD	Description	Imported from or Originating in	Rate of Anti-dumping duty	calculated anti-dumping margin
207.01	PLASTICS AND ARTICLES THEREOF						
207.01	3907.60.9	01.07	70	Poly(ethylene terephthalate), in primary forms (excluding liquids and pastes)	Chinese Taipei, Province of China	75%	2.80%
207.01	3907.60.9	02.07	75	Poly(ethylene terephthalate), in primary forms (excluding liquids and pastes)	India	54.1%	53.70%
207.01	3907.60.9	03.07	71	Poly(ethylene terephthalate), in primary forms (excluding liquids and pastes)	Republic of Korea	19.7%	4.76%

Commission's determination

The Commission considered that there were no commercial imports of the subject product from Chinese Taipei, India and South Korea during the period of investigation. The Commission also noted that the calculated duties are lower than the anti-dumping duties currently in place. A reasonable conclusion can be drawn that the current anti-dumping duties on the subject product are effective in levelling the playing field.

Since no responses were received from any manufacturer/exporter in Chinese Taipei, India and South Korea and there were no commercial imports of the subject product from the subject countries during the period of investigation, the Commission made a final determination to recommend to the Minister of Trade, Industry and Competition that the current anti-dumping duties on PET originating in or imported from Chinese Taipei, India and South Korea be maintained.

7. SUMMARY OF FINDINGS

7.1 Continuation or recurrence of dumping

The Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from Chinese Taipei, India and South Korea should the anti-dumping duties expire.

7.2 Recurrence of material injury

The Commission made a final determination that the expiry of the anti-dumping duties imposed on the subject product would likely lead to the recurrence of material injury.

8. FINAL DETERMINATION

The Commission made a final determination that the expiry of the anti-dumping duties imposed on the subject product would likely lead to the continuation or recurrence of dumping of the subject product originating in or imported from Chinese Taipei, India and South Korea and the expiry of the duties would likely lead to the recurrence of material injury.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the anti-dumping duties on polyethylene terephthalate originating in or imported from Chinese Taipei, India and South Korea be maintained.