NOTICE 609 OF 2006

INTERNATIONAL TRADE ADMINISTRATION COMMISSION

NOTICE OF INITIATION OF A SUNSET REVIEW OF THE ANTI-DUMPING DUTIES ON ACETAMINOPHENOL ORIGINATING IN OR IMPORTED FROM INDIA

In accordance with the provisions in Article 11.3 of the World Trade Organisation Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, any definitive anti-dumping duty shall be terminated on a date not later than five years from its imposition, unless the authorities determine, in a review initiated before that date on their own initiative or upon a duly substantiated request made by or on behalf of the domestic industry within a reasonable period of time prior to that date, that the expiry of the duty would be likely to lead to continuation or recurrence of dumping and injury.

On 27 May 2005, the International Trade Administration Commission (the Commission) notified all interested parties, through Notice No. 779 of Government Gazette No. 27599, that unless a request is made by or on behalf of the domestic industry for the duty to be reviewed prior to the expiry thereof, the anti-dumping duties on acetaminophenol originating in or imported from India, will expire on 29 June 2006. **A** duly completed application Review Questionnaire was submitted to the Commission on 12 December 2005.

THE APPLICANT

The application was lodged by Fine Chemicals Corporation (Pty) Ltd, being the only manufacturer of the product under investigation in the **SACU.** The Applicant alleges that the expiry of the duty would be likely to lead to continuation or recurrence of dumping and material injury. The Applicant submitted sufficient evidence and established a *prima facie* case to enable the Commission to arrive at a reasonable conclusion that a review investigation should be initiated on the basis of recurrence of dumping and material injury.

THE PRODUCT

The product under investigation is Acetaminophenol (Paracetamol), classifiable under tariff sub-heading 2924.29.05, originating in or imported from India.

THE ALLEGATION OF THE CONTINUATION OR RECURRENCE OF DUMPING

The allegation of continuation or recurrence of dumping is based on the comparison between the normal value and the export prices from India.

The normal value was determined based on the price for Paracetamol sold domestically in India, from *a* buyer in India. The export price was determined based on an average export price for the subject product from India into SACU based on a quote from Granules India Limited.

On this basis, the Commission found that there was *prima facie* proof of the likely recurrence of dumping if the duties expire.

THE ALLEGATION OF THE CONTINUATION OR RECURRENCE OF MATERIAL INJURY

The applicant alleges and submitted sufficient evidence to show that there is price undercutting and that the imports in question are depressing and suppressing its selling prices.

The applicant's information indicated that it will experience a decline in sales volume, profit, output, market share, productivity, employment and a negative effect on cash flow and growth, if the duties expire. It was also indicated that the applicant's market share will decrease at the expense of a corresponding increase in the market share of the dumped goods. On this basis the Commission found that there was *prima facie* proof of the likely continuation and/or recurrence of material injury.

PERIOD OF INVESTIGATION

The period of investigation for purposes of determining continuation or recurrence of dumping from the exporting country of origin will be from 1 July 2004 to 30 June 2005. The period of investigation for purposes of determining continuation or recurrence of injury will be from 1 July 2002 to 30 June 2005. An estimate of what the situation will be if the duties expire will also be considered by the Commission.

PROCEDURAL FRAMEWORK

Having decided that there is sufficient evidence and a *prima facie* case to justify the initiation of an investigation, the Commission has begun an investigation in terms of section 16 of the International Trade Administration Act, 2002 (the ITA Act). The Commission will conduct its investigation in accordance with the relevant sections of the ITA Act, the World Trade Organisation Agreement on Implementation of Article VI of the GATT 1994 (the Anti-Dumping Agreement) and the Anti-Dumping Regulations of the International Trade Administration Commission of South Africa (ADR). Both the ITA Act and the ADR are available on the Commission's website (www.itac.org.za) or from the Trade Remedies section, on request.

In order to obtain the information it deems necessary for its investigation, the Commission will send non-confidential versions of the application and questionnaires to all known importers and exporters, and known representative associations. The trade representatives *of* the exporting countries have also been notified. Importers and other interested parties are invited to contact the Commission as soon as possible in order to determine whether they have been listed and were furnished with the relevant documentation. If not, they should immediately ensure that they are sent copies. The questionnaire has to be completed and any other representations must be made within the time limit set out below.

CONFIDENTIAL INFORMATION

Please note that if any information is considered to be confidential then a non-confidential version of the information must be submitted for the public file, simultaneously with the confidential version. In submitting a non-confidential version the following rules are strictly applicable and parties must indicate:

- where confidential information has been omitted and the nature of such information;
- reasons for such confidentiality;
- a summary of the confidential information which permits a reasonabte understanding of the substance of the confidential information; and
- in exceptional cases, where information is not susceptible to summary, reasons must be submitted to this effect.

This rule applies to all parties and to all correspondence with and submissions to the Commission, which unless indicated to be confidential and filed together with a non-confidential version, will be placed on the public file and be made available to other interested parties.

If a party considers that any document of another party, on which that party is submitting representations, does not comply with the above rules and that such deficiency affects that party's ability to make meaningful representations, the details of the deficiency and the reasons why that party's rights are so affected must be submitted to the Commission in writing forthwith (and at the latest 14 days prior to the date on which that party's submission is due). Failure to do so timeously, will seriously hamper the proper administration *of* the investigation, and such party will not be able to subsequently claim an inability to make meaningful representations on the basis of the failure of such other party to meet the requirements.

Subsection 33(1) of the **ITA** Act provides that any person claiming confidentiality of information should identify whether such information **is** *confidential* ***by*** *nature* or is *otherwise confidential* and, any such claims must