

**REPORT NO. 561**

**SUNSET REVIEW OF THE ANTI-DUMPING DUTY ON UNFRAMED  
GLASS MIRRORS OF A THICKNESS OF 2 MM OR MORE BUT NOT  
EXCEEDING 6 MM ORIGINATING IN OR IMPORTED FROM  
INDONESIA: FINAL DETERMINATION**

The International Trade Administration Commission of South Africa hereby presents its **Report No. 561: SUNSET REVIEW OF THE ANTI-DUMPING DUTY ON UNFRAMED GLASS MIRRORS OF A THICKNESS OF 2 MM OR MORE BUT NOT EXCEEDING 6 MM ORIGINATING IN OR IMPORTED FROM INDONESIA: FINAL DETERMINATION**



---

**Siyabulela Tsengiwe**  
**CHIEF COMMISSIONER**

**PRETORIA**  
18/09/ 2017

# **INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA**

## **SUNSET REVIEW OF THE ANTI-DUMPING DUTY ON UNFRAMED GLASS MIRRORS OF A THICKNESS OF 2 MM OR MORE BUT NOT EXCEEDING 6 MM ORIGINATING IN OR IMPORTED FROM INDONESIA: FINAL DETERMINATION**

### **SYNOPSIS**

On 24 June 2016, the International Trade Administration Commission of South Africa (the Commission) notified interested parties through Notice No. 365 of 2016 in *Government Gazette* No. 40088, that unless a substantiated request is made indicating that the expiry of the anti-dumping duty against imports of unframed glass mirrors originating in or imported from Indonesia would likely lead to the continuation or recurrence of dumping and injury, the anti-dumping duty on unframed glass mirrors originating in or imported from Indonesia would expire on 19 April 2017.

On 17 February 2017, the Commission initiated a sunset review investigation of the anti-dumping duty on unframed glass mirrors originating in or imported from Indonesia through Notice No. 130 of 2017 published in the *Government Gazette* No. 40621.

The application was lodged by PFG Building Glass, a division of PG Group (Pty) Ltd (the Applicant), being the only producer for the subject product in the Southern African Customs Union (SACU).

The investigation was initiated after the Commission considered that the expiry of the anti-dumping duty on imports of unframed glass mirrors originating in or imported from Indonesia would likely lead to the continuation or recurrence of dumping and the recurrence of material injury.

On initiation of the investigation, the known producers/exporters of the subject product in Indonesia were sent foreign manufacturers/exporters questionnaires to complete. Importers of the subject product were also sent questionnaires to complete. The deadline for comments was 29 March 2017. No properly documented

responses were received from any manufacturer/exporter or importer by 29 March 2017. Comment to the Applicant's allegations was received from the Government of Indonesia (GOI).

On 20 July 2017 the Commission sent out "Essential facts" letters to all interested parties. The deadline to submit responses was 21 June 2017. A response to the Commission's essential facts letter was only received from the Applicant.

After considering all interested parties' comments, the Commission made a final determination that the expiry of the anti-dumping duty on unframed glass mirrors originating in or imported from Indonesia would likely lead to the continuation or recurrence of dumping and the recurrence of material injury.

The Commission made a final determination not to recommend an increase in the anti-dumping duty given the low volume of imports during the period of investigation and since the Applicant is not experiencing material injury at present, which suggests that the current level of duty is appropriate.

The Commission therefore made a final determination to recommend to the Minister of Trade and Industry that the current anti-dumping duty of 6.61% per cent 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 PFG Building Glass, a division of PG Group (Pty) Ltd, being the only producer of the subject product in the SACU.

### **1.3 INVESTIGATION PROCESS**

On 24 June 2016, the International Trade Administration Commission of South Africa (the Commission) notified interested parties through Notice No. 365 of 2016 in *Government Gazette* No. 40088, that unless a substantiated request is made indicating that the expiry of the anti-dumping duty against imports of unframed glass mirrors originating in or imported from Indonesia would likely lead to the continuation or recurrence of dumping and material injury, the anti-dumping duty on unframed glass mirrors originating in or imported from Indonesia would expire on 19 April 2017.

A detailed response to the Commission's sunset review questionnaire was received from PFG Building Glass, a division of PG Group (Pty) Ltd on 28 October 2016. After all deficiencies were identified and addressed, an updated final application was received on 30 November 2016.

The information submitted by the Applicant was verified on 17 January 2017. A verification report was sent on 18 January 2017 and comment to the report was received on 5 November 2015. The Application was accepted as properly documented on 26 January 2017. Notice of initiation of the investigation was

published in the *Government Gazette* on 17 February 2017 and the deadline for comments was 29 March 2017. Comment to the Applicant's allegations was received from the Government of Indonesia (GOI). Essential facts letters were sent to interested parties on 20 July 2017 for comment and the deadline for responses was 4 July 2017. A response to the Commission's essential facts letter was only received from the Applicant.

#### **1.4 INVESTIGATION PERIOD**

The investigation period for dumping was from 01 July 2015 to 30 June 2016, and the injury investigation involved evaluation of data for the period of 1 July 2013 to 30 June 2016, as well as an estimate should the duty expire.

#### **1.5 PARTIES CONCERNED**

##### **1.5.1 SACU industry**

The application was lodged by PFG Building Glass, a division of PG Group (Pty) Ltd, being the only producer of the subject product in the SACU.

The Commission decided that the application can be regarded as being made "by or on behalf of the domestic industry" under the provisions of the Anti-Dumping Regulations.

##### **1.5.2 Foreign Manufacturers/Exporters**

No properly documented responses were received from any manufacturer/exporter in Indonesia.

##### **1.5.3 Importers**

No properly documented responses were received from any importer in the SACU.

#### **1.6 COMMENTS**

After considering all the information available, the Commission issued essential facts letters that it was considering making a final determination that the expiry of the anti-dumping duty on unframed glass mirrors originating in or

imported from Indonesia would likely lead to the continuation or recurrence of dumping and the recurrence of material injury. A response to the Commission's essential facts letter was only received from the Applicant.

## **1.7 FINAL DETERMINATION**

The Commission made a final determination that the expiry of the anti-dumping duty on unframed glass mirrors originating in or imported from Indonesia would likely lead to the continuation or recurrence of dumping and the recurrence of material injury. The Commission however decided not to recommend an increase in the anti-dumping duty given the low volume of imports during the period of investigation and since the Applicant is not experiencing material injury at present, which suggests that the current level of duty is appropriate. The Commission therefore made a final determination to recommend that the current anti-dumping duty of 6.61 per cent be maintained.

## 2. PRODUCTS, TARIFF CLASSIFICATION AND DUTIES

---

### 2.1 PRODUCT

#### 2.1.1 Description

The subject of this application is unframed glass mirrors, of a thickness of 2mm or more but not exceeding 6mm.

#### 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.

#### 2.1.3 Tariff classification

The subject product is classifiable as follows:

Tariff heading	Tariff subheading	Description	Statistical unit	Rate of duty			
				General	EU	EFTA	SADC
7009		<b>Glass mirrors, whether or not framed, including rear-view mirrors:</b>					
	7009.10	- Rear-view mirrors for vehicles					
	7009.9	- Other					
	7009.91	- Unframed	kg	15%	free	free	free

#### 2.1.4 Other applicable duties

The following anti-dumping duties are applicable:

Item	Tariff heading	Description	Imported from or originating in	Rate of anti-dumping duty
213.03	7009.91	Unframed glass mirrors, of a thickness of 2 mm or more but not exceeding 6 mm	India	68,74%



213.03	7009.91	Unframed glass mirrors, of a thickness of 2 mm or more but not exceeding 6 mm (excluding that manufactured by PT Matahari Silverindo Jaya)	Indonesia	6,61%
213.03	7009.91	Unframed glass mirrors, of a thickness of 2 mm or more but not exceeding 6 mm	China	40,22%

***Comment by the Government of Indonesia:***

*The Government of Indonesia stated that the Commission should take note of Article 5.8 of the WTO Anti-Dumping Agreement, where the authority is required to exclude imports from Indonesia found to have no dumping in the original investigation. It submitted that PT Matahari Silverindo Jaya has to be excluded from any sunset reviews as their dumping margin was found to have been zero in the original investigation. It also maintained that the zero dumping rates for this specific exporter should remain unchanged. It further pointed out that the provision of this Article is concerned with dumped imports, and that the volume of dumped imports from the company with zero dumping margins in the original investigation should be excluded from any examination of continuation or recurrence of injury in the review.*

***ITAC's response to comment made by the Government of Indonesia***

*In response to the above comment, ITAC submitted that the exporter (PT Matahari Silverindo Jaya) was notified subsequent to receipt of the request to participate in the current investigation, that as it was found not to be dumping the subject product and subject to any duty, it was therefore, not required to provide the Commission with any properly documented response.*

***Comment by the Applicant to the Commission's Essential facts letter***

*The Applicant stated that it has noted the Commission's intention of maintaining the current anti-dumping duty of 6.61%. However, it stated that as there was no exporter/manufacturer in Indonesia that responded in the investigation, the Commission should consider making a final determination*

*by imposing a higher anti-dumping duty of 38.55%, as this is based on the available facts in the submission by PFG Building Glass.*

***ITAC's response to comment made by the Applicant***

*In response to the above, the Commission noted that there were low volumes of imports during the period of investigation and this was as a result of the current anti-dumping duty of 6.61% that is in place. Imports from Indonesia in the most recent period were not even 1 per cent of the total SACU market.*

*The Commission, therefore, made a final determination that the duty of 6.61% be maintained as this has proved to be sufficient to remove material injury to the domestic industry.*

### **3. INDUSTRY STANDING**

---

- 3.1** The Application was lodged by PFG Building Glass, a division of PG Group (Pty) Ltd, being the only producer for 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 Anti-Dumping Regulations.

#### **4. CONTINUATION OR RECURRENCE OF DUMPING**

---

The margin of dumping is calculated by subtracting the export price from the normal value of the product (after all adjustments have been made). The margin is then expressed as a percentage of the 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 IN THIS INVESTIGATION FOR INDONESIA**

##### **4.1.1 Normal Value**

The normal value for non-cooperating exporters is based on the best information available for the subject product in the exporting country.

As no properly documented responses were received from any exporters in Indonesia, the Commission made a final determination to use the best information available, being that provided by the Applicant. The domestic price was calculated based on a price quotation submitted by the Applicant obtained from a trader in Indonesia.

##### **4.1.2 Export Price**

As no properly documented responses were received from manufacturers in Indonesia, the Commission made a final determination to use the best information available, being that provided by the Applicant. The export price was calculated based on the import statistics obtained from the South African Revenue Services (SARS) for the dumping period.

#### **4.2 MARGIN OF DUMPING**

The dumping margin for Indonesia was calculated as follows:

<b>Country</b>	<b>Margin of dumping</b>
Indonesia	35.55%

### **4.3 FINAL DETERMINATION**

The Commission made a final determination not to recommend an increase in the anti-dumping duty given the low volume of imports during the period of investigation and since the Applicant is not experiencing material injury at present, which suggests that the current level of duty is appropriate. The Commission therefore made a final determination to recommend that the current anti-dumping duty of 6.61 per cent be maintained.

## 5. RECURRENCE OF MATERIAL INJURY

---

### 5.1 DOMESTIC INDUSTRY – MAJOR PROPORTION OF PRODUCTION

The following injury analysis relates to PFG Building Glass, a division of PG Group (Pty) Ltd. As their production volume represents 100 per cent of the total SACU production, the Commission decided that this constitutes “a major proportion” of the total domestic production, in accordance with the Anti-Dumping Regulations.

### 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

(kg)	2014	2015	2016	2017 Estimates if duty expires
Indonesia	128 869	44 238	67 222	973 805
Other imports	1 356 113	1 807 131	1 218 288	1 218 288
Total	1 484 982	1 851 370	1 285 510	2 192 093

#### 5.2.2 Effect on Domestic Prices

##### 5.2.2.1 Price undercutting

Table 5.2.2.1: Price undercutting

R/kg	2014	2015	2016	2017 Estimate if duty expires
Selling price (Applicant)	100	109	117	130
Indonesia (Landed)	100	129	139	107
Undercutting per kg	100	-239	-260	23
Undercutting as a percentage of selling price	100	-220	-222	17

Table indexed due to confidentiality using 2014 as base year

The Applicant submitted that although there was no price undercutting during the investigation period, it is estimated that in an attempt to capture the Applicant's market share, Indonesian exporters will reduce selling prices to close or below the Applicant's selling price in 2017. It also stated that it is expected that its selling price will increase as a result of cut-back production, in an effort to retain the same profit margin as in 2016.

#### 5.2.2.2 Price depression

The following table shows the domestic industry's selling price for the years 2014 to 2016 and an estimate in the event the duty expires:

**Table 5.2.2.2: Price depression**

R/kg	2014	2015	2016	2017 Estimate if duty expires
Selling price	100	109	117	130

Table indexed due to confidentiality using 2014 as base year

The Applicant stated that it did not experience price depression for the years 2013 to 2016 and this is as a result of the anti-dumping duty that was in place. However, it is estimated that should the duty expire, it will not be able to depress its selling prices immediately so as to retain the profit margin and allow it to re-invest and maintain the plant.

#### 5.2.2.3 Price suppression

The following table shows the Applicant's cost of production and its selling prices for the subject product for the years 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.2.3: Price suppression**

R/kg	2014	2015	2016	2017 Estimate if duty expires
Ex-factory price	100	109	117	130
Cost (production) per kg	100	99	105	116
Cost (total) per kg	100	98	109	120

Table indexed for confidentiality using 2014 as base year

The Applicant submitted that its gross profit increased over the investigation period. It stated also that as a result of the imports from Indonesia, its sales will decline and production will be reduced to prevent unnecessary inventory increases. It indicated further that for PFG Building Glass to retain 2016 profit margins, it will need to increase its selling prices and passed on the cost increases.

### **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 sales volumes**

The following table shows the Applicant's sales volumes of unframed glass mirrors in 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.1 (a): Sales volumes**

Kg	2014	2015	2016	2017 Estimate if duty expires
	100	108	96	83

Table indexed due to confidentiality using 2014 as base year

The above table indicates that the SACU sales volumes of the subject product declined in 2016 compared to 2014 and 2015. The Applicant stated that should the anti-dumping on duty unframed glass mirrors from Indonesia be revoked, it is estimated that its sales volume will decline even further in 2017, resulting in material injury to the SACU industry.



**Table 5.2.3.1 (b): Sales values**

Rands (R)	2014	2015	2016	2017 Estimate if duty expires
<b>Sales values</b>	100	117	112	109
<b>Total Sales</b>	100	118	112	109

Table indexed due to confidentiality using 2014 as base year

The Applicant stated although the sales values increased over the investigation period, it is estimated that should the duty be revoked, sales volumes will decline and notwithstanding increases in prices to counter price suppression, its sales values will decline, thus leading to the recurrence of material injury.

#### 5.2.3.2 Profit

The following table shows the Applicant's profit before interest and tax for the years 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.2: Profit**

R/kg	2014	2015	2016	2017 Estimate if duty expires
Gross profit margin (%) Kg	100	121	123	125
Gross profit per kg	100	131	143	163
Kg sold: Local	100	108	96	83
Kg sold Export	100	130	115	115
Kg sold: Total	100	110	97	86
Gross profit (R)	100	174	163	157
Net profit margin (%)	100	130	120	125
Net profit per Kg	100	141	141	163

Table indexed due to confidentiality using 2014 as base year

The table indicates that gross profit levels increased over the period 2014 to 2016. The Applicant stated that although gross profit increased over the investigation period, if the current anti-dumping duty is revoked, it is estimated that imports will enter the SACU market at dumped prices. It will then lose sales and reduce production to keep inventory at reasonable levels to prevent experiencing substantial material injury.

#### 5.2.3.3 Output

The following table outlines the Applicant's domestic production volume of the subject product for the years 2014 to 2016, and estimate in the event the duty expires:

**Table 5.2.3.3: Output**

<b>Kg</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017 Estimate if duty expires</b>
<b>Output</b>	100	104	94	84

Table indexed due to confidentiality using 2014 as base year

The information in the above table indicates that the Applicant's output significantly decreased over the period 2014 to 2016. The Applicant submitted that should the anti-dumping be revoked, it is estimated that imports at dumped prices would gain at least 973 805 kilograms of its sales volumes. The volumes will replace its sales volumes and it would have to cut back on production in order to reduce its inventory levels.

#### 5.2.3.4 Market share

The following table shows the market share for the subject product for the years 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.4: Market share (Volumes)**

Kg	2014	2015	2016	2017 Estimate if duty expires
Market share in volume				
Applicant's market share	100	108	96	83
Alleged dumped imports: Indonesia	128 869	44 238	67 222	973 805
Market share of other imports	100	133	90	90
Total market share	128 869	44 238	67 222	973 805
Total SACU market	100	110	94	94

Table indexed due to confidentiality using 2014 as base year

The above table indicates that the Applicant's market share increased over the period 2014 to 2015 and should the duty be revoked, its share of the market will decline. It also indicates that the market share of imports from Indonesia increased, whilst other imports declined.

### 5.2.3.5 Productivity

The following table shows the Applicant's productivity for the subject product for the years 2014 to 2016, and an estimate in the event of the expiry of the duty:

**Table 5.2.3.5: Productivity**

Kg	2014	2015	2016	2017 Estimate if duty expires
Total production volume (kg)	100	104	94	84
Number of employees (manufacturing only)	100	120	120	100
Kg per employee	100	87	79	84

Table indexed due to confidentiality using 2014 as base year

The above table indicates that productivity declined over the period 2014 to 2016. The Applicant stated that if the anti-dumping duty is revoked, production will decline, while the employment level remains at the same level as in 2016. It also submitted that in order to retain the productivity levels in 2016 employment will have to be reduced.

#### 5.2.3.6 Return on investment

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

**Table 5.2.3.6: Return on investment**

Rands (R)	2014	2015	2016	2017 Estimate if duty expires
Net profit (product concerned)	100	218	173	168
Sales volume to SACU (kg)	100	108	96	83
Net assets (product concerned)	100	103	102	102
Return on net assets (%)	100	212	170	165

Table indexed due to confidentiality using 2014 as base year

The above table shows that the Applicant's return on investment (ROI) increased significantly over the period 2014 to 2016. The Applicant stated that should the anti-dumping duty be revoked, this will result in declining sales volumes and profit.

#### 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 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.7: Utilization of production capacity**

<b>Kg</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017 Estimate if duty</b>
<b>Your capacity (kg)</b>	100	100	100	100
<b>Actual production (kg)</b>	100	104	94	84
<b>Capacity utilisation %</b>	100	104	94	84

Table indexed due to confidentiality using 2014 as base year

The information in the above table shows that the Applicant's capacity utilization decreased over the period 2014 to 2016 and should the duty be revoked, it will decline further in 2017.

According to the Applicant, its capacity utilisation was at very low levels over the period 2014 to 2016, and there is therefore, no need for a capacity increase at this stage.

The Applicant also stated that as the import volumes from Indonesia in 2004 prior to the imposition of the duty were 973 805 kg, it is estimated that if the duty is revoked, the dumped imports would again surge to the 2004 level. These volumes will replace its sales and it would as a result be forced to cut back on production to reduce inventory levels.

#### **5.2.3.8 Actual and potential negative effects on cash flow**

The following table provides the Applicant's cash flow for the years 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.8: cash flow**

<b>Rands (R)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017 Estimate if duty expires</b>
<b>Cash flow: incoming</b>	100	206	168	144
<b>Cash flow: outgoing</b>	100	-81	-79	-79
<b>Net cash flow</b>	100	273	215	179
<b>Debtors (value)</b>	100	117	112	109
<b>Debtors: average days outstanding</b>	100	100	100	100

Table indexed due to confidentiality using 2014 as base year

The above table indicates that there was a decline in cash flow over the period 2015 to 2016. The Applicant stated that if the anti-dumping duty is revoked, the net cash flow will decline in 2017, resulting in the SACU industry suffering material injury.

### 5.2.3.9 Inventories

The Applicant provided the following inventory levels for 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.9: Inventories**

Volume (kg)	2014	2015	2016	2017 Estimate if duty expires
	100	90	113	113

Table indexed due to confidentiality using 2014 as base year

The information in the above table shows that the Applicant's inventories increased over the investigation period. The Applicant stated that its inventory levels are maintained at fairly constant levels in the order of 6 to 7 weeks of sales volume. Should the anti-dumping duty be revoked, it can be expected that it will cut back on production to prevent the increase in inventory levels.

### 5.2.3.10 Employment

The following table shows the Applicant's employment levels for the years 2014 to 2016 and an estimate in the event the duty expires:

**Table 5.2.3.10: Employment**

No. of employees	2014	2015	2016	2017 Estimate if duty expires
Direct labour (units)	100	120	120	100
Indirect labour (units): production	100	50	13	13
Total labour (units): production	100	77	54	46

Table indexed due to confidentiality using 2014 as base year

The Applicant stated that as the manufacturing of the subject product is capital intensive, a small number of employees are involved. It indicated that should the duty be revoked, it is estimated that one job will be lost in order to retain the productivity rate similar to the one in 2016.

#### 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 product is as follows:

**Table 5.2.3.11: Wages**

Rands (R)	2014	2015	2016	2017 Estimate if duty expires
Direct Wages: Production	100	55	71	59
Indirect Wages: Production	100	165	110	110
Total wages: Production	100	113	91	86

Table indexed due to confidentiality using 2014 as base year

The above table shows that direct wages decreased over 2014 to 2016. The Applicant pointed out that as the manufacturing of the product is capital intensive there is not a huge number of employees and therefore the remuneration is not a meaningful indicator of material injury, although wages would decrease as jobs would be lost.

#### 5.2.3.12 Growth

The following table provides the Applicant's growth information for the years 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.12: Growth**

Kg	2014	2015	2016	2017 Estimate if duty expires
Size of the SACU market	100	110	94	94
% growth from previous year	-	100	-140	-7
Sales volume (kg)	100	108	96	83
Growth %	-	100	-144	-163

Table indexed due to confidentiality using 2014 as base year

The table above shows that growth of the SACU market declined over the periods 2015 to 2016. The Applicant stated that as the import volumes from Indonesia in 2004 prior to the imposition of the duty was 973 805 kg, it is estimated that if the duty is revoked, dumped imports that are similar to the 2004 level would again surge the SACU in 2017 as a result of lost sales.

#### 5.2.3.13 Ability to raise capital or investments

The following table shows the Applicant's ability to raise capital and investment for the years 2014 to 2016, and an estimate in the event the duty expires:

**Table 5.2.3.13: Ability to raise capital or investment**

Rands (R)	2014	2015	2016	2017 Estimate if duty expires
Total capital/investment in the subject product	100	103	102	102
Capital expenditure during year on subject product	100	77	15	15

Table indexed due to confidentiality using 2014 as base year

The Applicant stated that it has no difficulty in raising capital or drawing investment to expand production where such investment can be shown to be viable. It indicated further that if the effective anti-dumping duty is revoked while it is clear that there would be a continuation of dumping, and that the SACU industry would suffer material injury, it is estimated that it is unlikely that capital will be forthcoming for additional investment in the SACU industry as the return on investment would not warrant investment in SACU, making the industry less competitive. It indicated further that it has large unutilized capacity and thus there is no need to expand capacity at this stage.



### **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 duty would likely lead to the recurrence of material injury to the SACU industry.

## **6. SUMMARY OF FINDINGS**

---

### **6.1 CONTINUATION OR RECURRENCE OF DUMPING**

The Commission made a final determination that the expiry of the anti-dumping duty would likely lead to the continuation or recurrence of dumping of the subject product originating in or imported from Indonesia.

### **6.2 RECURRENCE OF MATERIAL INJURY**

The Commission made a final determination that the expiry of the anti-dumping duty would likely lead to the recurrence of material injury to the SACU industry.

## 7. RECOMMENDATION

---

The Commission made a final determination that:

- the expiry of the duty would likely lead to the continuation or recurrence of dumping; and
- the expiry of the duty would likely lead to the recurrence of material injury.

The Commission made a final determination not to recommend an increase in the anti-dumping duty given the low volume of imports during the period of investigation and since the Applicant is not experiencing material injury at present, which suggests that the current level of duty is appropriate.

The Commission therefore decided to recommend to the Minister of Trade and Industry that the anti-dumping duty on unframed glass mirrors originating in or imported from Indonesia be maintained as follows:

Tariff heading	Description	Imported from or originating in	Rate of anti-dumping duty
7009.91	Unframed glass mirrors, of a thickness of 2 mm or more but not exceeding 6 mm (excluding that manufactured by PT Matahari Silverindo Jaya)	Indonesia	6.61%%