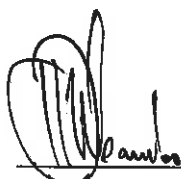


Report No. 573

**TERMINATION OF THE ANTI-DUMPING DUTIES ON FULLY
TREADED SCREWS WITH HEXAGON HEADS ORIGINATING IN
OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA**

The International Trade Administration Commission of South Africa herewith presents its Report No. 573: **TERMINATION OF THE ANTI-DUMPING DUTIES ON FULLY TREADED SCREWS WITH HEXAGON HEADS ORIGINATING IN OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA**



Mr Dumisani Mbambo
Acting Chief Commissioner

PRETORIA
12 / 01 / 2018

REPUBLIC OF SOUTH AFRICA
INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF
SOUTH AFRICA

REPORT NO. 573

**TERMINATION OF THE ANTI-DUMPING DUTIES ON FULLY TREADED
SCREWS WITH HEXAGON HEADS ORIGINATING IN OR IMPORTED FROM
THE PEOPLE'S REPUBLIC OF CHINA (PRC)**

1. On 15 November 2012, anti-dumping duties were imposed on fully treaded screws with hexagon heads originating in or imported from the PRC.

2. On 24 June 2016, a notice was published in the *Government Gazette* indicating that the following anti-dumping duties were imposed during 2012 and would therefore expire during 2017 if a review is not initiated:

PRODUCT	COUNTRY	RATE OF ANTI-DUMPING DUTY	DATE OF IMPOSITION OF THE DUTY	DATE OF EXPIRY OF DUTY
Fully threaded screws with hexagon heads	China	11.09% - 73.93%	16/11/12	15/11/17

3. The SACU manufacturers of the product were informed in writing and provided with a copy of the notice. SACU manufacturers were requested to indicate by 25 July 2016 whether they required the Commission to review the existing duty prior to the date of expiry. No response was received from any SACU manufacturer.

4. The South African Iron and Steel Institute (SAISI) was contacted regarding the termination of the anti-dumping duties and responded as follows:

“In its report 408, and subsequent to an investigation conducted by the Commission into the alleged dumping of set screws into the imports of the subject product originating in China, the Commission concluded that dumping margins from co-operating interested parties varied from negative to 21.51%. The Commission also decided to impose a residual dumping margin 76.37% on all non-cooperating manufacturers.

As a result of this finding by the Commission, four Chinese manufacturers were exempted from paying the duties. The increase in imports subsequent to the imposition of the duties suggests that these four companies were used as traders for the other manufacturers of the product concerned.

Consequently, the anti-dumping duties had no causal effect. Imports increased significantly during the period the anti-dumping duties were in place, from 5,138 tonnes during the time of the sunset review investigation to 7,883 tonnes in 2017. During the first six months of 2017 imports of the product concerned already amounted to 4,246 tonnes.

This increase in imports had a devastating impact on the viability of the manufacturers who lost further market share to the imported product. The net impact was that many manufacturers cut down on production which led to significant job losses in the industry. Therefore, the industry felt it had a better chance to curb imports by applying for effective safeguard protection than to risk applying for a measure where the chances were good that a similar decision will be reached with no benefit for the industry. In fact, a similar decision will definitely lead to the demise of the industry.”

5. Section 58.1 of the Anti-Dumping Regulations provides as follows:

“Where the SACU industry does not request a sunset review or does not supply the required information following a notice published in terms of Section 54.1 within the deadline indicated, the Commission will recommend that the anti-dumping duty lapse on the date indicated in such notice.”

6. As the SACU manufacturers of fully threaded screws with hexagon heads in the SACU did not request the Commission to review the duties prior to the expiry thereof, the Commission decided to recommend to the Minister of Trade and Industry that the anti-dumping duty on fully threaded screws with hexagon heads or steel originating in or imported from the People’s Republic of China, be terminated.

RECOMMENDATION

7. In line with the provisions of the Commission’s Anti-dumping Regulations, as reflected in the notice published in the *Government Gazette* on 24 June 2016, the Commission made a final determination to recommend to the Minister of Trade and Industry that the anti-dumping duties on fully threaded screws with hexagon heads originating in or imported from the People’s Republic of China, be terminated on the five year expiry date, i.e. 15 November 2017.