

## NOTICE 1924 OF 1998

**BOARD ON TARIFFS AND TRADE****NOTICE OF INITIATION OF AN INVESTIGATION INTO THE ALLEGED DUMPING OF STAINLESS STEEL SINKS, ORIGINATING IN OR IMPORTED FROM EGYPT, MALAYSIA AND SOUTH KOREA**

The Board on Tariffs and Trade received a petition alleging that stainless steel sinks, originating in and/or imported from Egypt, Malaysia and South Korea are being dumped on the Southern African Customs Union (SACU) market, causing material injury (and threat of material injury) to the SACU industry concerned.

***The petitioner***

The petition was lodged by City Metal Products(Pty) Ltd, supported by Southern Africa Stainless Steel Development Association (SASDA) and Pabar. The petitioner alleged that it cannot compete with the low prices charged by the importer and that the allegedly dumped imports are causing it material injury. The petitioner submitted sufficient evidence and established a prima facie case to enable the Board to arrive at a reasonable conclusion that an investigation should be initiated on the basis of dumping, material injury and causality.

***The product***

The product allegedly being dumped (the subject product) is stainless steel sinks, classifiable under tariff subheading 7324.10, originating in or imported from Egypt, Malaysia and South Korea.

***The allegation of dumping***

The allegation of dumping is based on the comparison between the normal values in the respective countries, being the highest export price to a third country as contemplated in paragraph of 1 (1) (b) (i) the Board on Tariffs and Trade Act 1986, and

the export prices from the respective countries. The petitioner provided sufficient evidence to show that the subject product is being dumped into the SACU market from Egypt, Malaysia and South Korea.

***The allegation of material injury/threat of material injury and causal link***

The petitioner alleged and submitted sufficient evidence to show that the allegedly dumped imports are suppressing and depressing its selling prices, and are gaining market share at the expense of the SACU industry. It further alleged and provided evidence that the prices at which these imports are sold in South Africa undercut the already suppressed prices of the South African producers, resulting in lower profit margins being incurred by the petitioner. It also alleged and provided evidence that it had experienced a loss in its sales volume and revenue, its production volume, as well as a decrease in its production capacity utilisation rate over its last financial year. On this basis the Board found that there was prima facie proof of material injury and/or threat of material injury and causal link.

***Period of investigation***

The period of investigation for the purpose of determining the dumping margins in the respective countries of origin will be from 1 June 1997 to 31 May 1998. The period of investigation for purposes of determining injury will be from January 1995 to April 1998. If there are subsequent events that are relevant to injury the Board may later request and consider further, more recent information in determining injury.

***Procedural framework***

Having decided that there is sufficient evidence and a prima facie case to justify the initiation of an investigation, the Board has begun an investigation in terms of section 4 of the Board on Tariffs and Trade Act, 1986 (the BTT Act). The Board will conduct its investigation in accordance with the BTT Act and the World Trade Organisation Agreement on Implementation of Article VI of the GATT 1994 (the Anti-Dumping Agreement). A copy of the Anti-Dumping Agreement is available from the Board's office on request.

In order to obtain the information it deems necessary for its investigation, the Board will send questionnaires to all known importers and exporters, and known representative associations. The trade representatives of the exporting countries have been notified. Importers, exporters and other interested parties are invited to contact the Board as soon as possible in order to determine whether they have been listed and sent a questionnaire. If not, they should request a copy of the questionnaire as soon as possible. The questionnaire must be completed, and any other representations made, within the time limit set out below.

### ***Confidential information***

Please note that if information is considered to be confidential then a nonconfidential version of the information must be submitted for the public file, simultaneously with the confidential version. In submitting a nonconfidential 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 that permits a reasonable 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.

### ***Address***

The response to the questionnaire and any information regarding this matter and any arguments concerning the allegation of dumping and the resulting material injury must be submitted in writing at one of the following addresses:

#### **Physical address**

The Director of Dumping Investigations  
Room 1601  
Fedlife Building  
Corner of Church and Prinsloo Streets  
PRETORIA

#### **Postal address**

The Director of Dumping Investigations  
Private Bag X753  
PRETORIA  
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a deviation from the required format ( Failure to submit an adequate non-confidential version on the response that complies with the rules set out above will be regarded as an incomplete submission).

Parties that experience difficulty in furnishing the information required, or in the format required, are therefore urged to make written applications to the Board at an early stage for permission to deviate from the questionnaire or provide the information in an alternate format that can satisfy the Board's requirements. The Board will give due consideration to such a request on good cause shown.

If the required information and arguments are not received in a satisfactory form within the time limit specified above, or if verification of the information cannot take place, the Board may make provisional or final findings on the basis of the facts available to it.

**Enquiries should be directed to the investigating officers, Mr J Heukelman at telephone (012) 310-9817 or Mr GB Kuhn , at telephone (012) 310-9610.**

[BTT Ref. T5/2/15/2/2]

***Procedures and time limit***

All responses should be received by the Director of Dumping Investigations not later than 30 days following the date of publication of this notice or, in the case of parties known to be interested, 30 days following the date on which the letter accompanying the above-mentioned questionnaire was received. The said letter shall be deemed to have been received seven days after the date of its dispatch.

It should be noted that the investigation process is complex and the Board is subject to strict time limits within which to complete the investigation. Late submissions will therefore not be accepted, except with the prior written consent of the Board. The Board will give due consideration to written requests for an extension of not more than 14 days on good cause shown, if received prior to the expiry of the original 30-day period.

The information submitted by any party may need to be verified by the investigating officers in order for the Board to take such information into consideration. The Board may verify the information at the premises of the party submitting the information, within a short period after the submission of the information to the Board. Parties should therefore ensure that the information submitted will subsequently be available for verification. Parties should also ensure that all the information requested in the questionnaire is provided and is in the specified detail and format. The questionnaires are designed to ensure that the Board is provided with all the information required to make a determination in accordance with the rules of the Anti-Dumping Agreement. The Board may therefore refuse to verify information that is incomplete or does not comply with the format in the questionnaire, unless the Board has agreed in writing to