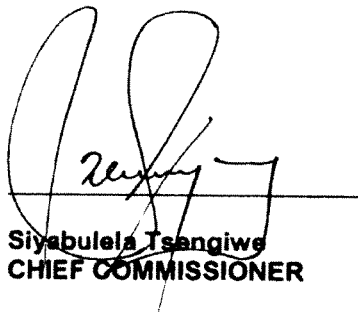


**Report No. 366**

**TERMINATION OF THE ANTI-DUMPING DUTIES ON BIAXIALY  
ORIENTATED POLYMERS OF PROPYLENE (BOPP) FILM  
ORIGINATING IN OR IMPORTED FROM BRAZIL**

The International Trade Administration Commission of South Africa herewith presents its Report No.366: **TERMINATION OF THE ANTI-DUMPING DUTIES ON BIAXIALY ORIENTATED POLYMERS OF PROPYLENE (BOPP) FILM ORIGINATING IN OR IMPORTED FROM BRAZIL**



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

**PRETORIA**  
**16/03/2011**

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

**REPORT NO. 366**

**TERMINATION OF THE ANTI-DUMPING DUTIES ON BIAXIALLY ORIENTED  
POLYMERS OF PROPYLENE (BOPP) FILM ORIGINATING IN OR IMPORTED  
FROM BRAZIL**

1. During 2005, Treofan SA (Pty) Ltd (Treofan), the sole manufacturer of biaxially oriented polymers of propylene (BOPP) in the Southern African Customs Union ("SACU") market applied for anti-dumping duties on BOPP film originating in or imported from Brazil. Treofan formed part of the International Treofan Group with its head office in Europe, and domestically produced BOPP under license.
2. On 13 April 2007, following an investigation by the Commission, the following anti-dumping duties were imposed:

<b>TARIFF HEADING</b>	<b>PRODUCT</b>	<b>IMPORTED FROM OR ORIGINATING IN</b>	<b>RATE OF DUTY</b>
3920.20	Plates, sheets, film, foil and strip of biaxially orientated polymers of propylene, non-cellular and not reinforced, laminated, supported or similarly combined with other materials of a thickness exceeding 0.012 mm but not exceeding 0.06mm, not heat shrinkable, manufactured or exported by Empresa Brasileira de film flexiveis Ltda (EBFF)	Brazil	4.7%
3920.20	Plates, sheets, film, foil and strip of biaxially orientated polymers of propylene, non-cellular and not	Brazil	34.3%

	reinforced, laminated, supported or similarly combined with other materials of a thickness exceeding 0.012 mm but not exceeding 0.06mm, not heat shrinkable, manufactured or exported by Polo Industria E Comercio Ltda		
3920.20	Plates, sheets, film, foil and strip of biaxially orientated polymers of propylene, non-cellular and not reinforced, laminated, supported or similarly combined with other materials of a thickness exceeding 0.012 mm but not exceeding 0.06mm, not heat shrinkable, manufactured or exported by Vitopel do Brasil Ltda	Brazil	18.5%
3920.20	Plates, sheets, film, foil and strip of biaxially orientated polymers of propylene, non-cellular and not reinforced, laminated, supported or similarly combined with other materials of a thickness exceeding 0.012 mm but not exceeding 0.06mm, not heat shrinkable (excluding those manufactured or exported from Empresa Brasileira de film flexiveis Ltda (EBFF), Polo Industria E Comercio Ltda and Vitopel do Brasil Ltda)	Brazil	91.6%

3. In October 2009, following a management buyout, Treofan was relaunched as Fima Films SA (Pty) Ltd (Fima) under full control of the new South African owners.
4. In August 2010, a BEE transaction took place resulting in Wendile Investment Holdings, a 100% black-owned company, obtaining the majority shareholding of Fima.
5. On 31 January 2011, a letter was received from Fima, requesting the termination of the anti-dumping duties on BOPP film, originating in or imported from Brazil.

6. As reason for this request, Fima stated that, as a result of the changed ownership, business practices and production constraints in the dynamic global environment, it did not believe that the continued existence of the current anti-dumping duties against Brazil would be of any further advantage to the SACU industry.
7. Fima indicated that it was in the process of closing one of its production lines based on the fact that it could not economically manufacture the products required. It indicated that it was in discussions with suppliers and funders, including the Industrial Development Corporation, to invest in a new production facility. The standard construction time for such a facility normally is 24 months.
8. Fima indicated that in order to bridge the gap between the closing of its production line and the commissioning of the new production facility, the industry should be able to import BOPP film from Brazil without the burden of the anti-dumping duty.
9. On 07 March 2011, a further communication was received from Fima, stating that, although it has since been decided not to close one of the existing production lines at this stage, the demand for the subject products is still very high. Therefore to bridge the gap, BOPP film will have to be imported to satisfy the domestic demand.
10. Fima indicated that, from market intelligence gathered, the Brazilian products are exported at fair prices and that the continued imposition of the anti-dumping duties against Brazil is no longer required.

## **RECOMMENDATION**

11. In the light of the foregoing, the Commission decided to recommend to the Minister of Trade and Industry that the anti-dumping duties on BOPP film originating in or imported from Brazil, be terminated.