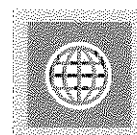


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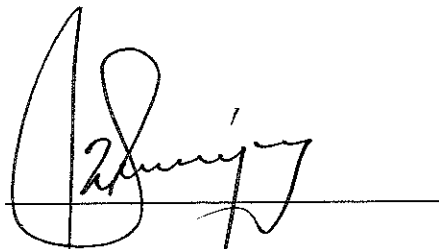
**SUNSET REVIEW OF ANTI-DUMPING DUTIES ON GYPSUM
PLASTERBOARD ORIGINATING IN OR IMPORTED FROM
THAILAND AND INDONESIA: FINAL DETERMINATION**

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FAIR TRADE

The International Trade Administration Commission of South Africa herewith presents its
**Report No.: 287. SUNSET REVIEW OF ANTI-DUMPING DUTIES ON GYPSUM
PLASTERBOARD ORIGINATING IN OR IMPORTED FROM THAILAND AND INDONESIA:
FINAL DETERMINATION**

A handwritten signature in black ink, appearing to read 'Siyabulela Tsengiwe', is written over a horizontal line.

**Siyabulela Tsengiwe
CHIEF COMMISSIONER**

PRETORIA
30/10/ 2008

1. APPLICATION AND PROCEDURE

- 1.1 This investigation was conducted in accordance with the International Trade Administration Act, 2002 (ITA Act), the World Trade Organization Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, 1994 (the Anti-Dumping Agreement) and the International Trade Administration Commission Anti-Dumping Regulations (ADR).
- 1.2 The application was lodged by BPB Gypsum, trading as Saint-Gobain Construction Products, a major producer of gypsum plasterboard within the SACU.
- 1.3 On 11 January 2008 , the International Trade Administration Commission notified the South African Customs Union (SACU) industry through Notice No. 20 in Government Gazette No.30646, that unless a substantiated request is made by it indicating that the expiry of the anti-dumping duties on the subject product originating in or imported from Thailand and Indonesia would likely lead to the continuation or recurrence of dumping and injury, the anti-dumping duties on the subject product originating in or imported from Thailand and Indonesia would expire on 22 August 2008 in respect of Thailand and on 21 May 2009 in respect of Indonesia.
- 1.4 A response to the review questionnaire was received from the Applicant on 07 March 2008. After all the deficiencies were addressed, an updated final application was received on 18 April 2008.
- 1.5 The information submitted by the Applicant was verified on 22 April 2008.
- 1.6 On 20 June 2008, the Commission formally initiated a sunset review of the anti-dumping duties on gypsum plasterboard originating in or imported from Thailand and Indonesia. Notice of initiation of the investigation was published in Notice No. 760 of *Government Gazette* No.31445, dated 20 June 2008.

- 1.7 The investigation period for dumping is from 01 January 2007 to 31 December 2007, and the injury investigation involves evaluation of data for the period of 1 January 2006 to 31 December 2007, as well as an estimate should the duties expire.
- 1.8 The following exporters/manufacturers were identified as interested parties in Thailand and Indonesia.
- Lafarge/Siam Gypsum Company in Thailand.
 - Petrojaya Boral Plasterboard, PT in Indonesia.
 - PT Siam Indo Gypsum Industry in Indonesia

No exporter responded. Therefore no verification took place. All the above exporters indicated that their related company Lafarge Gypsum, a division of Lafarge Industries South Africa (Pty) Ltd commenced production of gypsum plasterboard in early 2007 within the SACU under the name Lafarge Gypsum, a division of Lafarge Industries South Africa (Pty) Ltd and that they would therefore not be making any representations or submissions in respect of this investigation.

Various requests were made to Lafarge Gypsum South Africa to provide information with regard to their production volumes, capacity and specifically to indicate whether they support or oppose the application. No response was received from them in this regard.

- 1.9 The following SACU importer was identified as an interested party in the original investigation: MIS (LaFarge)

In November 2004 the name of the Lafarge subsidiary was changed from MIS to Lafarge Gypsum South Africa who then started manufacturing gypsum plasterboard in early 2007.

As no other information was supplied by either exporters or importers, the Commission made a final determination based on facts available, being those supplied by the Applicant.

1.10 On 9 September 2008, the Commission made a preliminary determination that the expiry of the anti-dumping duties would likely lead to the continuation or recurrence of dumping; and the continuation or recurrence of material injury,

1.11 The Commission conveyed the determination it was considering to interested parties by way of a letter of essential facts and allowed 14 days for comments thereon.

No new comments were received for the Commission to consider prior to making its final determination.

1.12 On 14 October 2008, the Commission made a final determination to recommend to the Minister of Trade and Industry that the current anti-dumping duties applicable to gypsum plasterboard originating in or imported from Thailand and Indonesia be adjusted to 45% in respect of all exports from Thailand and 34.6% in respect of all exports from Indonesia.

2. PRODUCTS, TARIFF CLASSIFICATION AND DUTIES

2.1 Product

2.1.1 Description

The subject product is described as Gypsum Plasterboard.

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:

Heading	Sub-Heading	Article Description	Statistical unit	Rate of duty			
				General	EU	EFTA	SADC
68.09		Articles of plaster or of compositions based on plaster:					
	6809.11	Faced or reinforced with paper or paperboard only	kg	15%	7,5%	13,2%	Free

2.1.4 Other applicable duties

The following anti-dumping duties are applicable:

Item	Tariff Sub heading	Description	Imported from or originating in	Rate of anti-dumping duty
213.00		ARTICLE OF STONE, PLASTER, CEMENT, ASBESTOS, MICA OR SIMILAR MATERIALS; CERAMIC PRODUCTS; GLASS AND GLASSWARE		
213.02	6809.11	<p>Articles of plaster or of compositions based on plaster.</p> <p>Boards, sheets, panels, tiles and similar articles of plaster or of compositions based on plaster, faced or re-in forced with paper or paperboard only, not ornamented, manufactured by The Siam Gypsum Industry Co Ltd (SGI).....</p> <p>Boards, sheets, panels, tiles and similar articles of plaster Or of compositions based on plaster, faced or re-in forced with Paper or paperboard only, not ornamented (excluding those manufactured by The Siam Gypsum Industry Co Ltd (SGI).....</p> <p>Boards, sheets, panels, tiles and similar articles of plaster or of compositions based on plaster, faced or re-in forced with paper or paperboard only, not ornamented, manufactured by PT Petrojaya Boral Plasterboard (PJPB).....</p> <p>Boards, sheets, panels, tiles and similar articles of plaster on plaster, faced or re-in forced with paper or paperboard only, not ornamented, manufactured by PT Siam Indo Gypsum Industry (PTSI).....</p>	<p>Thailand</p> <p>Thailand</p> <p>Indonesia</p> <p>Indonesia</p>	<p>73.9%</p> <p>125%</p> <p>53.3%</p> <p>23.5%</p>

3. INDUSTRY STANDING

The Applicant indicated in its application that it was the sole producer of gypsum plasterboard in SACU. However, it subsequently transpired that there was another producer.

In the original investigation the exporters and main importer were Lafarge-related companies.

In response to the exporter's questionnaires, letters were received indicating that in November 2004, the name of the importer was changed from MIS to Lafarge Gypsum South Africa who started manufacturing gypsum plasterboard in South Africa during the early part of 2007.

As a result of the above they indicated that they would not be making any representations or submissions in respect of this investigation.

Various requests were made to Lafarge Gypsum South Africa to provide information with regard to their production volumes, capacity and specifically to indicate whether they support or oppose the application but no response was received from them in this regard.

The Applicant was also requested to provide comments as to the impact this new producer has on the SACU industry.

In response, the Applicant indicated that it believed the production capacity of Lafarge to be less than 20 per cent compared to its own of more than 80 per cent of the SACU production capacity.

Although the actual production volumes of Lafarge South Africa are not known, it is doubtful whether it would exceed 20 per cent of SACU production, considering that the plant has been in the start-up phase for most part of 2007 and not likely to be

operating near full capacity.

The Commission determined that the applicant, BPB Gypsum (Pty) Ltd, was a producer of more than 80 percent of production by volume of the SACU industry and that the application was made by or on behalf of the domestic industry and, therefore, is eligible for initiation under the provisions of the ADR.

4. CONTINUATION OR RECURRENCE OF DUMPING

4.1 Dumping

As no proper responses were received from any exporters or importers, the Commission used best information available as contemplated in Article 6.8 of the ADA, being that provided by the Applicant, to make a final determination.

4.1.1 Normal value

The applicant obtained domestic selling prices in Thailand and Indonesia through its subsidiary company which is also active in these markets.

The normal values were calculated to be as follows:

THAILAND					
Model	PRICE PER SHEET		PRICE PER m ²		Price per kg
	THB	RAND	THB	RAND	RAND
Reg 9mm x 1200 x 2400	130.90	31.84	45.45	11.06	1.53
Reg 12mm x 1200 x 2400	147.40	35.85	51.18	12.45	1.29
Weighted average price					1.40
Exchange rate	USD 1	=	32.1	THB	
Exchange rate	USD 1	=	7.8078	RAND	

INDONESIA					
Model	PRICE PER SHEET		PRICE PER m ²		Price per kg
	IDR	RAND	IDR	RAND	RAND
Ave 9mm x 1200 x 2400	43,000.00	36.49	14930.00	12.67	1.75
Ave 12mm x 1200 x 2400	51,414.00	43.63	17852.08	15.15	1.57
Weighted average price					1.65
Exchange rate	USD 1	=	9200	IDR	
Exchange rate	USD 1	=	7.8078	RAND	

4.1.2 Export price

The export prices were derived from the import statistics obtained from the South African Revenue Service (SARS). The fob price as reflected in the statistics was reduced by 5% for internal transport to calculate the ex-factory export price of R 1.21 per kilogram in respect of Indonesia. As the quantities exported from Thailand were considered too small to be a reliable export price, the Applicant also provided published import statistics of imports into India from Thailand reflecting an export price of US \$0.90 per m² which equates to R7.04 per m² or R0.95 per kilogram.

4.1.3 Margin of dumping

Based on the information above, the following dumping margins were calculated:

Price kg	Thailand	Indonesia
Domestic selling price	1.40	1.65
Export price	0.95	1.21
Dumping margin	0.45	0.44
Dumping as % of ex-factory export price	47.4%	36.4%
Dumping as % of FOB price	45.0%	34.6%

The Commission made a final determination that the expiry of the duties is likely to lead to the continuation or recurrence of dumping, taking into consideration that notwithstanding the existence of the current anti-dumping duties, exports from both countries are still taking place.

5. CONTINUATION OR RECURRENCE OF MATERIAL INJURY

5.1 Material Injury

The Applicant claimed that the expiry of the anti-dumping duties would likely lead to the continuation or recurrence of material injury.

It submitted the following information to substantiate its claim. Where information is confidential it is indexed using 2006 as base year.

Material injury indicator	2006	2007	Estimate should the duties expire
Imports:kilograms			
Thailand	0	22 461	20 000 000
Indonesia	2 385 724	3 248 150	18 500 000
Imports as a % of total imports			
Thailand	0%	0.1%	37.1%
Indonesia	4.9%	22.2%	28.7%
Price undercutting:			
Thailand	0%	Negative	Positive
Indonesia	100	358	703
Price depression Rand/kg	100	108	78
Cost as a % of selling price	100	100	150
Sales volumes in tonnes	100	115	78
Profit margin on selling price %	100	102	67
Output (kg)	100	114	77

Material injury indicator	2006	2007	Estimate should the duties expire
Market share: Applicant	100	116	91
Thailand Indonesia	100 100	100 227	111 782
Productivity (kg) per employee	100	114	76
Return on net assets	100	107	66
Utilisation of production capacity	100	114	77
Employment	100	105	82
Margin of dumping: Thailand Indonesia			47.4% 36.4%

In light of the foregoing, the Commission made a final determination that the expiry of the anti-dumping duties would likely lead to the continuation or recurrence of material injury.

6. FINAL DETERMINATION

The Commission made a final determination that:

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

The Commission decided to recommend to the Minister of Trade and Industry that:

The anti-dumping duties on gypsum plasterboard originating in or imported from Thailand and Indonesia be adjusted to the following levels:

Thailand	Anti-dumping duties currently in place	Recommended adjusted duties
Exporter Siam Indo	73.9%	
Other exporters	125.0%	
All exporters		45.0%

Indonesia	Anti-dumping duties currently in place	Recommended adjusted duties
Exporter PT Petrojaya Boral	53.3%	
PT Siam Indo	23.5%	
All exporters		34.6%