

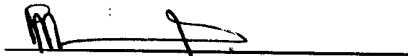


International Trade Administration Commission of South Africa

Report No. 54

Investigation into the alleged dumping of articles of plaster or of compositions based on plaster faced or reinforced with paper or paperboard only, commonly referred to as “Gypsum Plasterboard” originating in or imported from Indonesia: Preliminary determination

The International Trade Administration Commission of South Africa herewith presents its **Report No. 54: INVESTIGATION INTO THE ALLEGED DUMPING OF ARTICLES OF PLASTER OR OF COMPOSITIONS BASED ON PLASTER FACED OR REINFORCED WITH PAPER OR PAPERBOARD ONLY, COMMONLY REFERRED TO AS "GYPSUM PLASTERBOARD" ORIGINATING IN OR IMPORTED FROM INDONESIA: PRELIMINARY DETERMINATION**



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PRETORIA
22 April 2004

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

INVESTIGATION INTO THE ALLEGED DUMPING OF ARTICLES OF PLASTER OR OF COMPOSITIONS BASED ON PLASTER FACED OR REINFORCED WITH PAPER OR PAPERBOARD ONLY, COMMONLY REFERRED TO AS “GYPSUM PLASTERBOARD” ORIGINATING IN OR IMPORTED FROM INDONESIA: PRELIMINARY DETERMINATION

SYNOPSIS

On 14 November 2003, the International Trade Administration Commission of South Africa (the Commission) formally initiated an investigation into the alleged circumvention through country hopping to Indonesia, of the anti-dumping duties imposed on gypsum plasterboard originating in or imported from Thailand. Notice of the initiation of the investigation was published in Notice No. 25857 of Government Gazette No. 463 dated 02 January 2004. The application was lodged on behalf of the Southern African Customs Union (SACU) industry by BPB Gypsum, which claimed that the alleged dumped imports were causing it material injury. BPB Gypsum is the only manufacturer of the subject product in the SACU industry.

The investigation was initiated after the Commission considered that there was sufficient evidence to indicate that circumvention was taking place in the form of country hopping, in that imports that were previously sourced from a producer in Thailand were now being sourced from a related producer in Indonesia.

On initiation of the investigation, known producers and 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.

On 07 April 2004, after considering all parties' comments, the Commission made a preliminary determination that country hopping was taking place, causing material injury to the SACU industry.

As the Commission considers that the SACU industry will continue to suffer material injury during the course of the investigation if provisional payments are not imposed, it decided to request the Commissioner for South African Revenue Service to impose provisional payments for a period of twenty-six weeks to the extent of the amounts listed below:

Country: Indonesia Exporter	Provisional payment
Petrojaya Boral Plasterboard (PJBp)	80.7%
PT Siam Indo Gypsum Industry	15.9%

1. APPLICATION AND PROCEDURE

1.1 LEGAL FRAMEWORK

This investigation was conducted in accordance with the International Trade Administration Commission Act, 2002, (the ITA Act), the World Trade Organisation Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, 1994 (the Anti-Dumping Agreement) and the Anti-Dumping Regulations of South Africa (The ADR).

1.2 APPLICANT

The application was lodged by BPB Gypsum (the Applicant), being the only producer of the subject product in the SACU.

1.3 DATE OF ACCEPTANCE OF APPLICATION

The application was accepted by the Commission as being properly documented in accordance with Article 5.2 of the Anti-Dumping agreement on 14 November 2003. The trade representative of the country concerned was advised accordingly.

1.4 ALLEGATIONS BY THE APPLICANT

The Applicant alleged that imports of the subject product, originating in or imported from Indonesia were being dumped on the SACU market, thereby causing material injury to the SACU industry. The basis of the alleged dumping was that the goods were being exported to the SACU at prices less than the normal value in the country of origin.

The Applicant alleged that as a result of the dumping of the product from Indonesia, the SACU industry was suffering material injury in the form of:

- price undercutting
- decline in output
- decline in sales
- decline in market share
- decline in productivity
- decrease in profits
- decline in utilisation of production capacity
- decline in return on investments
- negative effect on cash flow
- decline in employment
- decline in wages per employee
- inability to show growth

1.5 INVESTIGATION PROCESS

The Commission formally initiated an investigation into the alleged dumping of gypsum plasterboard originating in or imported from Indonesia pursuant to Notice No. 25875 which was published in Government Gazette No.463 on 02 January 2004 .

Prior to the initiation of the investigation, the trade representative of the country concerned was notified of the Commission's intention to investigate, in terms of Article 5.5 of the Anti-Dumping Agreement. All known interested parties were informed and requested to respond to the questionnaires and the non-confidential summary of the application.

1.6 INVESTIGATION PERIOD

The investigation period for dumping is from 01 June 2003 to 30 November 2003. The investigation period for injury is from 01 April 2000 to 30 November 2003.

1.7 PARTIES CONCERNED

1.7.1 SACU industry

The SACU industry consists of the following producer of the subject product:

- (a) BPB Gypsum (Pty) Ltd. (the Applicant)

Information was submitted by the Applicant, which was verified by the investigating officers prior to the initiation of the Thailand investigation.

1.7.2 Exporters/Foreign Manufacturers

The following exporters/manufacturers were identified as interested parties:

- (a) PT Petrojaya Boral Plasterboard (PJBP)
- (b) PT Siam Indo Gypsum Industry (PTSI)

Information was supplied with regard to both PJBP and PTSI.

1.7.3 Importers

The following SACU importers were identified as interested parties:

- (a) MacSteel Interior Systems (pty) Ltd. (MIS)
- (b) Pelican MIS (Pty) Ltd. (Pelican)
- (c) Ceiling and Partitioning Components (CAPCO)

Information was provided by these exporters.

Comments by Webber Wentzel Bowens (WWB) acting on behalf of the Importers (Pelican and MIS) and the exporter (PJBP)

With regard to the initiation of the investigation, WWB stated that Article 5.2 of the WTO agreement stipulates that it is mandatory for evidence of dumping, material injury and causal link to be furnished in an application for an anti-dumping measure, and that there was no exception to this. WWB stated further that the Application does not rely on country hopping, but rather endeavours (unsuccessfully it is submitted) to prove dumping causation and threat of injury, this despite the fact that in terms of ADR 62.2 and 62.3 it is not required to do so. WWB also mentioned that the inescapable conclusion is that the Commissioner has chosen to rely on ADR 62.2 and 62.3 because the dumping and injury information furnished by the Applicant was insufficient to justify the initiation of an anti-dumping investigation as is required by the WTO Anti-Dumping Agreement and is therefore unlawful.

Section 62 of the ADR provide, *inter alia*, as follows:

- 62.2 “ *provided an anti-circumvention complaint is lodged with the Commission prior to, or within one year of the publication of the Commission’s final determination, the SACU industry shall not be required to update its injury information.*”
- 62.3 “ *provided an anti-circumvention complaint is lodged with the Commission prior to, or within one year of the publication of the Commission’s final finding, and in relation to any circumvention alleged in section 60.2(b), (c), (d), (e), (f), or (g), the Commission may use the normal value previously established to determine the margin of dumping until such time as the exporter or foreign producer has submitted proper information.*

As a complaint has been lodged prior to the Commission’s final findings, the procedures as contemplated in sections 62.2 and 62.3 were adopted for purposes of initiation of the investigation.

2. PRODUCTS, TARIFF CLASSIFICATION AND DUTIES

2.1 IMPORTED PRODUCTS

2.1.1 Description

The subject product is described as:

Articles of plaster or of compositions based on plaster, faced or reinforced with paper or paperboard only, commonly referred to as "gypsum plasterboard".

2.1.2 Tariff classification

The subject product is classifiable as follows:

Heading	Sub Heading	Article Description	Statistical Unit	Rates of duty		
				General	EU	SADC
68.09		Articles of plaster or compositions based on plaster:				
	6809.1	--Boards, sheets, panels, tiles and similar articles, not ornamented:				
	6809.11	= Faced or reinforced with paper or paperboard only	kg	15%	15%	Free
	6809.19	= Other	kg	15%	15%	Free
	6809.90	= Other articles	kg	15%	15%	Free

2.1.3 Import Statistics

Article 5.8 of the Anti-Dumping Agreement provide as follows:

"There shall be immediate termination in cases where the authorities determine that the volume of dumped imports, actual or potential, is negligible. The volume of dumped imports shall normally be regarded as negligible if the volume of dumped imports from a particular country is found to account for less than 3 per cent of imports of the like product in the importing Member, unless countries which individually account for less than 3 per cent of the imports of the like product in the importing Member collectively account for more than 7 per cent of imports of the like product in the importing Member."

The import statistics obtained from the South African Revenue Service (SARS) indicated that the volume of alleged dumped imports from Indonesia accounted for 90.6 per cent of the total imports of gypsum plasterboard during the period of investigation for dumping.

2.1.4 Country of origin/export

The subject product is exported from Indonesia.

2.1.5 Application/end use

The imported product is used for internal walling and ceiling applications, viz. drywall and partitioning, used in office, shopping malls and housing walls and ceilings.

2.1.6 Production process

The production process being used is a continuous process whereby gypsum and paper are formed into plasterboard.

2.2 SACU PRODUCT

2.2.1 Description

The SACU product is described as gypsum plasterboard.

2.2.2 Application/end use

The SACU product is also used for internal walling and ceiling applications, viz. drywall and partitioning, used in office, shopping malls and housing walls and ceilings.

2.2.3 Tariff classification

The SACU product is classifiable under tariff subheading 6809.11.

2.2.4 Production process

The production process being used is a continuous process whereby gypsum and paper are formed into plasterboard.

2.3 LIKE PRODUCTS

2.3.1 General

In order to establish the existence and extent of injury to the SACU industry, it is necessary to determine at the outset whether the products produced by the SACU industry are like products to those originating in or imported from Indonesia.

Footnote 9 to Article 3 of the Anti-Dumping Agreement provide as follows:

"Under this Agreement the term "injury" shall, unless otherwise specified, be taken to mean material injury to a domestic industry, threat of material injury to a domestic industry or material retardation of the establishment of such an industry and shall be interpreted in accordance with the provisions of this Article."[own underlining].

Article 4.1 of the Anti-Dumping Agreement provide as follows:

"For the purposes of this Agreement, the term "domestic industry" shall be interpreted as referring to the domestic producers as a whole of the like products..."[own underlining].

Article 2.6 of the Anti-Dumping Agreement provide as follows:

"Throughout this Agreement the term 'like product' ('produit similaire') shall be interpreted to mean a product which is identical, i.e. alike in all respects to the product under consideration, or in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the product under consideration."[own underlining].

2.3.2 Analysis

In determining the likeness of products, the Board used the following criteria:

- (1) raw material used;
- (2) physical appearance and characteristics;
- (3) tariff classification;
- (4) method of manufacturing; and
- (5) customer demand and end use.

(1) Raw materials

Both the SACU and the imported product are manufactured from gypsum and paper.

The Commission found that the raw materials for the imported and the SACU products are comparable.

(2) Physical appearance and characteristics

Both the SACU and the imported product can be described as gypsum board and is fire resistant.

The Commission found that the imported and the SACU products have similar physical appearance and characteristics.

(3) Tariff classification

The Commission found that the SACU products and those imported are classifiable under the same six-digit tariff subheading.

(4) Method of manufacturing

The method of manufacturing of both the imported and the SACU product is a continuous process whereby gypsum and paper is formed into plasterboard.

The Commission found that the imported and the SACU products are manufactured using the same method.

(5) Customer demand and end-use

Both the imported and the SACU product are used for internal walling and ceiling applications, viz. drywall and partitioning, used in offices, shopping malls and housing walls and ceilings.

The Commission found that the SACU products and those imported were the same for purposes of comparison.

The Commission was, therefore, satisfied that the SACU product and the imported products are “like products”, for purposes of comparison in this investigation, in terms of Article 2.6 of the Anti-Dumping Agreement.

3. SACU INDUSTRY

3.1 INDUSTRY STANDING

Article 5.4 of the Anti-Dumping Agreement provide as follows:

"An investigation shall not be initiated pursuant to paragraph 1 unless the authorities have determined, on the basis of an examination of the degree of support for, or opposition to, the application expressed by domestic producers of the like product, that the application has been made by or on behalf of the domestic industry. The application shall be considered to have been made "by or on behalf of the domestic industry" if it is supported by those domestic producers whose collective output constitutes more than 50 per cent of the total production of the like product produced by that portion of the domestic industry expressing either support for or opposition to the application. However, no investigation shall be initiated when domestic producers expressly supporting the application account for less than 25 per cent of total production of the like product produced by the domestic industry".

BPB Gypsum, is the sole manufacturer of gypsum plasterboard in the SACU. Based on this, it is evident that the Applicant's production represents 100% of the total production of gypsum plasterboard in the SACU.

The Commission, therefore, decided that the application was made "by or on behalf of the domestic industry" under the above provisions of the Anti-Dumping Agreement.

4. DUMPING

4.1 DUMPING

Section 1 of the ITA Act, provides a definition of the term "dumping". The Act provides as follows:

"dumping" means the introduction of goods into the commerce of the Republic or the Common Customs Area at an export price contemplated in section 32(2)(a) that is less than the normal value, as defined in section 32 (2), of those goods;"

4.2 NORMAL VALUE

Normal values are determined in accordance with section 32(2)(b) of the ITA Act. This section provides as follows:

"normal value", in respect of any goods, means-

- (i) the comparable price paid or payable in the ordinary course of trade for like goods intended for consumption in the exporting country or country of origin; or
- (ii) in the absence of information on a price contemplated in subparagraph (i), either
 - (aa) the constructed cost of production of the goods in the country of origin when destined for domestic consumption, plus a reasonable addition for selling, general and administrative costs and profit; or
 - (bb) the highest comparable price of the like product when exported to an appropriate third or surrogate country as long as that price is representative;"

4.3 EXPORT PRICE

Export prices are determined in accordance with section 32(1) of the ITA Act which provides as follows:

"export price" subject to subsections (3) and (5) means the price actually paid or payable for goods sold for export, net of all taxes, discounts and rebates actually granted and directly related to the sale;"

Section 32(5) of the ITA Act further provides as follows:

“(5) The Commission must, despite the definition of “export price” set out in subsection (2), when evaluating an application concerning dumping that meets the criteria set out in subsection (6), determine the export price for the goods in question on the basis of the price at which the imported goods are first resold to an independent buyer, if applicable, or on any reasonable basis.

(6) Subsection (5) applies to any investigation of dumping if, in respect of the goods concerned -

- (a) there is no export price as contemplated in the definition of dumping;
- (b) there appears to be an association or compensatory arrangement in respect of the export price between the exporter of foreign manufacturer concerned and the importer or the third party concerned; or
- (c) the export price actually paid or payable is unreliable for any other reason.”

4.4 ADJUSTMENTS

Article 2.4 of the Anti-Dumping Agreement provides as follows:

“A fair comparison shall be made between the export price and the normal value. This comparison shall be made at the same level of trade, normally at the ex-factory level, and in respect of sales made at as nearly as possible the same time. Due allowance shall be made in each case, on its merits, for differences which affect price comparability, including differences in conditions and terms of sale, taxation, levels of trade, quantities, physical characteristics, and any other differences which are also demonstrated to affect price comparability. In the cases referred to in paragraph 3, allowances for costs, including duties and taxes, incurred between importation and resale, and for profits accruing, should also be made. If in these cases price comparability has been affected, the authorities shall establish the normal value at a level of trade equivalent to the level of trade of the constructed export price, or shall make due allowance as warranted under this paragraph.

The authorities shall indicate to the parties in question what information is necessary to ensure a fair comparison and shall not impose an unreasonable burden of proof on those parties.”.

Both the Anti-Dumping Agreement and the ITA Act provide that due allowance shall be made in each case for differences in conditions and terms of sale, in taxation and for differences affecting price comparability. ITAC considers that for an adjustment to be allowed, quantifiable and verifiable evidence has to be submitted, and it must further be demonstrated that these

differences actually affected price comparability at the time of setting the prices.

4.5 COMPARISON OF EXPORT PRICE WITH NORMAL VALUE

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 export price. If the margin is less than two percent, it is regarded as *de minimis* in terms of the Anti-Dumping Agreement and no anti-dumping duty will be imposed.

The margin of dumping is normally calculated in the currency of the country of export.

4.6 METHODOLOGY IN THIS INVESTIGATION FOR PT PETROJAYA BORAL PLASTERBOARD (PJPB) IN INDONESIA

4.6.1 Normal Value

Type of economy

Indonesia is considered to be a country with a free market economy and therefore the definition of section 32(2) of the ITA Act applies.

4.6.1.1 PJPB

Normal value definition

Like products to those exported to the SACU were sold in the domestic market in Indonesia in the ordinary course of trade during the period of investigation (POI). In accordance with section 32(2) of the ITA Act, invoiced sales values to distributors were used as the basis for determining the normal values.

Adjustments to normal values

The following adjustments were claimed by the exporter and provisionally

allowed subject to verification by the Commission as it was considered that these could have affected price comparability at the time of setting the prices:

Volume rebate

The exporter provided volume rebates and loyalty bonuses to its domestic customers as an incentive for customers to purchase its products in high volume.

Delivery charges

The exporter mentioned that its domestic sales were on a delivered basis and claimed average cost of delivery.

Packaging cost

The exporter mentioned that the product intended for the domestic market is wrapped and palletised, and claimed the cost thereof.

Duty drawback

Duty drawbacks calculated on the volumes of imported input materials used to produce products for export purposes were received by the exporters.

4.6.1.2 PTSI

Adjustments to normal values

The following adjustment was claimed by the exporter and provisionally allowed by the Commission subject to verification as it was found that this could have affected price comparability at the time of setting the prices:

Delivery charges

The exporter claimed an amount for delivery costs which is incurred in its domestic market, as it sold on a delivered basis.

The following adjustment was claimed by the exporter and not allowed by the Commission as no evidence was provided that all the domestic sales were of a different brand from the export sales:

Brand premium

The exporter claimed an adjustment in respect of brand premium for the difference between the price of the brand sold in the domestic market and that exported.

Brand premium

The exporter claimed an adjustment in respect of brand premium for the difference between the price of the brand sold in the domestic market and that exported.

As no evidence was provided that all the domestic sales were of a different brand from the export sales, the Commission made a preliminary determination subject to verification not to allow this adjustment.

Comments by WWB

WWB quoted a statement from the Notice of initiation which says "the normal value was determined in the Commission's investigation into the alleged dumping of gypsum plasterboard originating in or imported from Thailand." WWB stated that as such, the Commission invokes the normal

values ostensibly established in the Thailand investigation. WWB stated further that as the Commission is aware, the 6.4mm product was not sold in Thailand during the period of investigation and the Commission did not construct a normal value for the product. WWB also mentioned that the Commission failed to determine a normal value in respect of the 15mm product or any other thickness other than 9mm and 12mm thick products, and that there is, therefore, no normal value which has been established which can be invoked pursuant to the provisions of ADR 62.3 in the present investigation with respect to 6.4mm and 15mm products or any product other than 12mm and 9mm thick products.

The investigation into the alleged dumping of gypsum plasterboard originating in or imported from Thailand was initiated on gypsum plasterboard without any reference to a particular thickness model.

4.6.2 Export prices

Ex-factory Domestic Prices

The ex-factory domestic prices were calculated taking the adjustments allowed by the Commission, into account.

4.6.2.1 PJBP

Definition of Export price

Export price is defined in section 32(2)(a) of the ITA Act as the price actually paid or payable for goods sold for export, net of all taxes, discounts and rebates actually granted and directly related to the sale under consideration.

To enable a proper comparison with the normal value, the export price

should be at the ex-factory level and at the same level of trade.

General

Export sales to Pelican and MIS were made by PJPB whereas export sales to CAPCO were made by PTSI.

Although Pelican and MIS are related to PJPB, CAPCO is not related to PTSI.

Adjustments to export prices

The Commission made the following adjustments to the export prices for purposes of the calculation of the ex-factory export prices:

Transport (delivery)

The exporter indicated that it pays for transport of products from the factory to the port.

Custom clearance, Stevedoring, Wharfage and other harbour charges.

The exporter indicated that it incurred the above costs in respect of exports.

Packing expense

The exporter incurred packaging costs on the exported products, which were not incurred on the product sold on its domestic market. The actual amount incurred was deducted from the export price.

4.6.2.2 PTSI

Delivery charges

The exporter indicated that it sold CFR Durban, and incurred costs for internal freight, handling cost and freight to Durban.

Terms of payment

The exporter indicated the cost of providing payment terms for exports.

Packaging expenses

The exporter indicated that it incurred expenses in respect of exports.

Ex-factory Export Prices

The ex- factory export prices were calculated taking the above adjustments into account.

4.6.3 Margin of dumping

4.6.3.1 Petrojaya Boral Plasterboard (PJBP)

The dumping margin is the difference between the normal value and the export price after allowance has been made for any differences affecting price comparability.

The dumping margin was calculated by subtracting the ex-factory export price from the ex-factory normal value for each of the respective products, and the

difference was expressed as a percentage of the fob export price. The margin of dumping was found to be 98.8 percent.

4.6.3.2 PT Siam Indo Gypsum Industry (PTSI)

The margin of dumping for PTSI was found to be 17.6 percent.

4.6.3.3 Residual margin

As the investigation was initiated on the grounds of country hopping by a particular exporter, no residual duty was calculated.

Comments by WWB

WWB stated that in its calculation of alleged dumping for purposes of initiating an investigation based on the provision of "country hopping", the Commission has compared a normal value established by invoking a 2001/2002 THB/ZAR exchange rate, (derived in Thailand investigation) with an export price from Indonesia calculated by invoking a 2003 USD/ZAR exchange rate. WWB stated that in this way and due to the strengthening of the Rand, the difference between the normal value used and the export price arrived at, is artificially increased. WWB mentioned further that the Commission's assessment of alleged prima facie dumping has thus been artificially inflated.

4.7 CONCLUSION - DUMPING

The Commission found that the subject product originating in Thailand was being dumped into the SACU market with the following margins:

Exporter	Dumping margin
PT Pertojaya Boral Plasterboard (PJPB)	98.8%
PT Siam Indo Gypsum Industry	17.6%

5. MATERIAL INJURY

Section 62 of the ADR provide, *inter alia*, as follows:

62.2 “ *provided an anti-circumvention complaint is lodged with the Commission prior to, or within one year of the publication of the Commission’s final determination, the SACU industry shall not be required to update its injury information.*”

As the complaint was lodged within one year of the final determination in the Thailand investigation no new injury information was submitted

6. COUNTRY HOPPING

6.1 COUNTRY HOPPING

Article 60.8 of the ADR provides as follows:

"Country hopping shall be deemed to take place if imports, following the imposition of anti-dumping duties or provisional payments or the initiation of an anti-dumping investigation switch to a supplier related to the supplier against which an anti-dumping investigation has been or is being conducted and that is based in another country or customs territory."

The exporter in Thailand against whom the anti-dumping Duties were imposed is Siam Gypsum Industry Ltd (SGI) whose shares are held by Lafarge/ Boral in Asia and Siam Cement Public company Ltd.

The exporters from Indonesia are:

- 1 PT Petrojaya Boral Plasterboard (PJPB) which is owned and operated by Lafarge Boral Gypsum in Asia.
- 2 PT Siam Indo Gypsum (PTSI) which is a joint venture in which Cemen Thai Gypsum Singapore Pte Ltd holds 50% interest. Siam Cement Public Company Ltd and Cemen Thai Gypsum (Singapore) Pty Ltd share a common share holding.

It is clear that both the exporters in Indonesia being PJPB and PTSI, are related to the exporter in Thailand (SGI) against whom anti-dumping duties were imposed.

The following table shows the average monthly volume of imports in tonnes of the subject product since January 2002.

Table5.3.1

	2002	2003 Jan to May	2003 June to Nov	
Alleged dumped imports	Tonnes	Tonnes	Tonnes	
Thailand	1702	2512	1152	
Indonesia	0	0	11696	
Other countries	48	69	56	
Total	1750	2581	12904	

The table indicates that imports have switched from Thailand to Indonesia after the imposition of the anti-dumping duties against imports originating in Thailand.

The Commission made a preliminary determination that country hopping is taking place.

7. SUMMARY OF FINDINGS

7.1 Dumping

The Commission found that the subject product originating in or imported from Indonesia was dumped into the SACU market with the following margins:

Table 7.1

Exporter	Dumping margin
PT Petrojaya Boral Plasterboard (PJBP)	98.8%
PT Siam Indo Gypsum Industry	17.6%

7.2 Material injury or threat of material injury

As the complaint was lodged within one year of the final determination in the Thailand investigation no new injury information was submitted

7.3 Country hopping

As the Commission found that the exporters in Indonesia are related to the exporter in Thailand against whom anti-dumping duties were imposed and exports have switched from Thailand to Indonesia, it made a preliminary determination that country hopping is taking place.

8. PROVISIONAL PAYMENTS

The Commission found that the exporter was dumping product originating in Thailand and has now found that it is exporting through its sister company from Indonesia.

As there are currently large volumes of gypsum plasterboard being imported from Indonesia causing injury to the applicant it is suggested that the imposition of preliminary payments be considered to prevent further injury being caused during the process of the investigation as provided for in Article 7.1 (iii) of the Anti-Dumping Agreement as more than 60 days has elapsed from the date of initiation of the investigation.

8.1 Amount of provisional payments

As the information provided by the exporters and the importers has not been verified, the following dumping margins were calculated based on the adjustments provisionally allowed by the Commission.

The following dumping margins were calculated:

Table 8.1

	PJBP	PTSI
f.o.b in US \$	99.03	134.62
Dumping margin as % of ex-factory export price	98.8%	17.6%
Dumping margin as % of f.o.b	80.7%	15.9%

9. DETERMINATION

The Commission made a preliminary determination that:

1. The subject product originating in or imported from Indonesia was being dumped into the SACU market;
2. The SACU industry suffered material injury;
3. Country hopping is taking place

As the Commission considers that the SACU industry will continue to suffer material injury during the course of the investigation if provisional payments are not imposed in accordance with Article 7 of the Anti-Dumping Agreement, it decided to request the Commissioner for South African Revenue Service to impose provisional payments on further imports of the subject products, for a period of twenty-six weeks, and to the extent as listed in the table below:

Table 9.1

INDONESIA	Rate of Provisional payments
Manufactured by PT Petrojaya Boral Plasterboard	80.7%
Manufactured by PT Siam Indo Gypsum Industry	15.9%

Interested parties will be invited to submit comments and make representations on the preliminary determination within the specified time periods, which the Commission will consider prior to making its final determination and recommendation to the Minister of Trade and Industry.