

REPORT NO. 645

**SUNSET REVIEW INVESTIGATION OF THE ANTI-DUMPING DUTIES ON CLEAR
DRAWN AND FLOAT GLASS ORIGINATING IN OR IMPORTED FROM THE
PEOPLE'S REPUBLIC OF CHINA AND INDIA: FINAL DETERMINATION**

The International Trade Administration Commission of South Africa herewith presents its
**REPORT No. 645: SUNSET REVIEW INVESTIGATION OF THE ANTI-DUMPING
DUTIES ON CLEAR DRAWN AND FLOAT GLASS ORIGINATING IN OR IMPORTED
FROM THE PEOPLE'S REPUBLIC OF CHINA AND INDIA: FINAL DETERMINATION**



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INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

SUNSET REVIEW INVESTIGATION OF THE ANTI-DUMPING DUTIES ON CLEAR DRAWN AND FLOAT GLASS ORIGINATING IN OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA AND INDIA: FINAL DETERMINATION

SYNOPSIS

On 24 May 2019, the International Trade Administration Commission of South Africa (the Commission or ITAC) notified interested parties through Notice No. 284 of 2019 in *Government Gazette* No. 42472, that unless a substantiated request is made indicating that the expiry of the anti-dumping duties against imports of clear float and drawn glass originating in or imported from India and the People's Republic of China (China) would likely lead to the continuation or recurrence of dumping and injury, the anti-dumping duties on clear drawn and float glass originating in or imported from India and China will expire on 30 July 2020.

A detailed response to the Commission's sunset review questionnaire was received from PFG Building Glass, a division of PG Group (Pty) Ltd (the Applicant) on 04 February 2020. After all deficiencies were identified and addressed, an updated final application was received on 21 February 2020.

On 19 June 2020, the Commission initiated a sunset review investigation of the anti-dumping duties on clear drawn and float glass originating in or imported from China and India. All known manufacturers/ producers and importers of the subject product were notified.

The investigation was initiated after the Commission considered that the Applicant submitted *prima facie* evidence that the expiry of the anti-dumping duties on clear drawn and float glass originating in or imported from China and India would likely lead to the continuation or recurrence of dumping and the recurrence of material injury. Subsequent to initiation of the investigation, all known producers/exporters of the subject product in China and India were sent foreign manufacturers/exporters questionnaires to complete.

Importers of the subject product were also sent questionnaires to complete. No responses were received from any exporter/manufacturer in China and India nor from any importer in the Southern African Customs Union (SACU).

On 11 September 2020, the Commission sent out “Essential facts” letters to all interested parties. The deadline for comments was 25 September 2020.

On 24 September 2020, a response to the Commission's “Essential facts” letter was received from the Applicant stating that it supports the Commission's findings. No other comments were received from any other interested party.

After considering the comments received, the Commission made a final determination that the expiry of the anti-dumping duties on clear drawn and float glass originating in or imported from China and India would likely lead to the continuation or recurrence of dumping and the recurrence of material injury.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the current anti-dumping duties on clear drawn and float glass originating in or imported from China and India be maintained.

1. APPLICATION AND PROCEDURE

1.1 LEGAL FRAMEWORK

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

1.2 APPLICANT

The application was lodged by PFG Building Glass, a division of PG Group (Pty) Ltd, being the major producer of the subject product in the SACU.

1.3 INVESTIGATION PROCESS

On 24 May 2019, the International Trade Administration Commission of South Africa (the Commission) notified interested parties through Notice No. 284 of 2019 in *Government Gazette* No. 42472, that unless a substantiated request is made indicating that the expiry of the anti-dumping duties against imports of clear float and drawn glass originating in or imported from India and China would likely lead to the continuation or recurrence of dumping and injury, the anti-dumping duties on clear drawn and float glass originating in or imported from India and China will expire on 30 July 2020.

A detailed response to the Commission's sunset review questionnaire was received from PFG Building Glass, a division of PG Group (Pty) Ltd (the Applicant) on 04 February 2020. After all deficiencies were identified and addressed, an updated final application was received on 21 February 2020.

Notice of initiation of the investigation was published in the *Government Gazette* on 19 June 2020, and the deadline for comments was 29 July 2020. Essential facts letters were sent to interested parties on 11 September 2020, and the deadline for comments was 25 September 2020. Comments to the Commission's essential facts letters were received from the Applicant only.

1.4 INVESTIGATION PERIOD

The investigation period for dumping is from 1 September 2018 to 31 August 2019, and the injury investigation involve evaluation of data for the period of 1 September 2016 to 31 August 2019, as well as an estimate should the duties expire.

1.5 PARTIES CONCERNED

1.5.1 SACU industry

PFG Building Glass (Pty) Ltd, being the major producer of the subject product in the SACU lodged the application.

The Commission made a final determination that the application can be regarded as being made “by or on behalf of the domestic industry” under the provisions of the ADR.

1.5.2 Foreign Manufacturers/Exporters

No responses were received from any of the interested parties in the investigation.

1.5.3 Importers

No responses were received from any of the interested parties in the investigation.

1.6 Comments

There were no comments received from any interested party in this investigation.

1.7 Final determination

The Commission made a final determination that the expiry of the anti-dumping duties on the subject product originating in or imported from China and India would likely lead to the continuation or recurrence of dumping and the recurrence of material injury.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the current anti-dumping duties on clear drawn and float glass originating in or imported from China and India be maintained.

2. PRODUCTS, TARIFF CLASSIFICATION AND DUTIES

2.1 Product

2.1.1 Description

The subject product is described as clear drawn and float glass of 3mm to 6mm thickness. Although drawn glass is not manufactured in the SACU, the Applicant stated that the product is a direct substitute for the SACU manufactured product, i.e. clear float glass.

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:

Drawn glass - Tariff heading: 70.04

Clear float glass - Tariff heading: 70.05

Tariff subheading	Description	Referred to as	Unit of measurement	# Rate of customs duty ('general')	Rebate provision description
7004.90.90	<i>Drawn glass and blown glass, in sheets-other</i>	3 to 6 mm	m ²	10%	None
7005.29.17	<i>Of a thickness exceeding 2,5mm but not exceeding 3mm (excluding optical glass)</i>	3mm	m ²	10%	None

Tariff subheading	Description	Referred to as	Unit of measurement	# Rate of customs duty ('general')	Rebate provision description
7005.29.23	<i>Of a thickness exceeding 3mm but not exceeding 4mm (excluding optical glass)</i>	4mm	m ²	10%	None
7005.29.25	<i>Of a thickness exceeding 4mm but not exceeding 5mm (excluding optical glass)</i>	5mm	m ²	10%	None
7005.29.35	<i>Of a thickness exceeding 5mm but not exceeding 6mm (excluding optical glass)</i>	6mm	m ²	10%	None

2.1.4 Other applicable duties

The following anti-dumping duties are applicable:

Tariff Heading/ Subheading	Description	Imported from or Originating In	Rate of Anti- Dumping Duty
7004.90.90	Drawn glass and blown glass, in sheets, whether or not having an absorbent or reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 6 mm (excluding optical glass)	China	562c/m ²
7004.90.90	Drawn glass and blown glass, in sheets, whether or not having an absorbent or reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 6 mm (excluding optical glass)	India	587c/m ²
7005.29.17	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 3 mm (excluding optical glass)	India	720c/m ²
7005.29.17	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 6 mm (excluding optical glass), (excluding that manufactured by Dalian Float Glass Co. Ltd.)	China	802c/m ²
7005.29.23	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 3 mm but not exceeding 4 mm (excluding optical glass).	China	802c/m ²

7005.29.23	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 3 mm but not exceeding 4 mm (excluding optical glass).	India	886c/m ²
7005.29.25	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 4 mm but not exceeding 5 mm (excluding optical glass).	China	802c/m ²
7005.29.35	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 5 mm but not exceeding 6 mm (excluding optical glass).	India	1 387c/m ²
7005.29.35	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 5 mm but not exceeding 6 mm (excluding optical glass).	China	802c/m ²

3. INDUSTRY STANDING

PFG Building Glass (Pty) Ltd is the only producer of the subject product in the SACU.

The Commission made a final determination that the application can be regarded as being made "by or on behalf of the domestic industry" in terms of Section 7 of the ADR.

4. CONTINUATION OR RECURRENCE OF DUMPING

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 Free on Board (f.o.b) export price. If the margin is less than two percent, it is regarded as de Minimis in terms of ADR 12.3 and no anti-dumping duty will be imposed.

4.1 METHODOLOGY FOR ALL MANUFACTURERS/EXPORTERS FROM CHINA

4.1.1 Normal Value

As there were no responses received from any exporter/manufacturer in China, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In determining the normal value for China, the Commission accepted selling price quotations obtained from a trader in India. The domestic selling prices were determined to be R25.56/ m² for 3mm, R33.36/ m² for 4mm, R42.11/ m² for 5mm and R49.22 m² for 6mm.

Adjustments to the normal value

No adjustments were made to the normal value as the prices are supplied at ex-factory level.

4.1.2 Export Price

As there were no responses received from any exporter/manufacturer in China, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In calculating the export price for China, official South African Revenue Service (SARS) statistics were used specifically, the f.o.b import price for the period 01 September 2018 to 31 August 2019. The f.o.b import price was determined to be R23.85/m² for 3mm, R31.92/m² for 4mm, R12.39/ m² for 5mm and R22.16/ m² for 6mm.

Adjustments to the export price

No adjustments were made to the export prices that were supplied at the f.o.b. level.

Commission's consideration

The Commission considered that the ADR require that a fair comparison be made between the export price and normal value, and this should normally be at ex-factory level.

The Commission also considered that the Applicant did not provide any adjustment to the f.o.b selling price to get to the ex-factory price. The Applicant had stated that any adjustment to the export price would reduce the export price and result in a higher dumping margin. The Applicant also stated that in this case, there is already a dumping margin of above 3% and there would not be any need to make adjustment to the export price.

The Commission therefore decided to use the export price information provided at the f.o.b. level for purposes of the determination of the dumping margin.

4.1.3 Margin of Dumping

The following dumping margins were calculated:

China – clear float glass (Rand)	Normal value	Export price net ex-factory	Margin of dumping	MoD as % of net export price
3mm	25.56	23.85	1.72	7.19%
4mm	33.36	31.92	1.44	4.51%
5mm	42.11	12.39	29.71	239.72%
6mm	49.22	22.16	27.06	122.14%

Based on the above information, the Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from China should the anti-dumping duties expire.

4.2 METHODOLOGY FOR ALL MANUFACTURERS/EXPORTERS FROM INDIA

4.2.1 Normal Value

As there were no responses received from any exporter/manufacturer in India, the Commission made a final determination to use the best information available, being that provided by the Applicant.

The domestic selling prices in India were obtained from a trader in India. The domestic selling prices were determined to be R50.73/ m² for 3mm, R68.23/ m² for 4mm and R103.76/ m² for 6mm.

Adjustments to the normal value

No adjustments were made to the normal value as the prices are supplied at ex-factory level.

4.2.2 Export price

As there were no responses received from any exporter/manufacturer in India, the Commission made a final determination to use the best information available, being that provided by the Applicant.

In providing export price information the Applicant stated that there were no imports of the subject products recorded from India, for the period of investigation. The Applicant also stated that clear float glass exports from India or imports statistics from countries importing from India, sourced from United Nations ITC calculations based on Directorate General of Commercial Intelligence & Statistic could also not be utilized as the exports are aggregated (the individual thicknesses are not distinguished) as per HS 7005.29.90.

In the absence of imports from India, the Applicant obtained an export price quotation from a reliable trader in India for imports from India to South Africa and was supplied in the period 01 September 2018 to 31 August 2019. From this obtained quotation, it was possible to calculate the prices for each of the subject product's categories.

Adjustments to the export price

No adjustments were made to the export prices that were supplied at the f.o.b. level.

Commission's consideration

The Commission considered that its practice is to use SARS statistics to determine the export price for purposes of calculating export price. As there were no responses from exporters/producers of the subject product after initiation and since various attempts were made by the Applicant to obtain export prices, but none were successful, including the use of SARS statistics, the Commission made a final determination that the export price be calculated using the quotation obtained by the Applicant in calculating the dumping margin.

The Commission also considered that the Applicant did not provide any adjustment to the f.o.b selling price to get to the ex-factory price. The Applicant had stated that any adjustment to the export price would reduce the export price and result in a higher dumping margin. The Applicant also stated that in this case, there is already a dumping margin of above 3% and there would not be any need to make adjustment to the export price.

The Commission therefore decided to use the export price information provided at the f.o.b. level for purposes of the determination of the dumping margin.

4.2.3 Margin of Dumping

The following dumping margins were calculated:

India – clear float glass (Rand)	Normal value	Export price net ex-factory	Margin of dumping	MoD as % of net export price
3mm	50.73	23.62	27.11	114.74%
4mm	68.23	31.77	36.46	114.74%
6mm	103.76	48.32	55.44	114.74%

Based on the above information, the Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from India should the anti-dumping duties expire.

4.3 FINAL DETERMINATION: DUMPING

Based on the above information, the Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from China and India should the anti-dumping duties expire.

5. CONTINUATION OR RECURRENCE OF MATERIAL INJURY

5.1 DOMESTIC INDUSTRY – MAJOR PROPORTION OF PRODUCTION

The following injury analysis relates to PFG Building Glass (the Applicant), the only producer of clear float and drawn glass in the SACU. The Commission decided that this constitutes “a major proportion” of the total domestic production, in accordance with the Anti-Dumping Regulations.

5.2 IMPORT VOLUMES AND THE EFFECT ON PRICES

5.2.1 Import volumes

The following table shows the volume of allegedly dumped imports of the subject product obtained from SARS:

Table 5.2.1: Import volumes: clear float and drawn glass

Country	2016/2017	2017/2018	2018/2019	Estimates if duties expire
Alleged dumped imports (Tons):				
China	714	133	993	12 619
India	0	0	0	3 360
Other imports (Tons)	48 297	29 315	70 631	70 631
Total Imports:	49 011	29 449	71 624	86 611
Alleged imports as a % of total imports:				
China	1.46%	0.45%	1.39%	14.57%
India	0.00%	0.00%	0.00%	3.87%
Other imports as a % of total imports	98.54%	99.54%	98.61%	81.54%
Total %	100%	100%	100%	100%

The Applicant stated that it is clear that there were no imports of the subject products from India and that the imports from China of the subject products remained low, compared to the import from other countries. It also stated that dumped imports from China and India were kept at bay, as a result of the anti-dumping duties that are in

place. Imports from other countries continued to flow into the SACU market, indicating that there is still a high demand for imported low priced products.

The Applicant further stated that it can reasonably be expected that if the anti-dumping duties are revoked, that the dumped imports from China and India would again increase to at least capture the same import market share it had of the SACU imports, prior to the imposition of the anti-dumping duties. The Applicant stated that the imported product from China and India will enter the SACU market at low prices, which would result in the SACU industry losing sales to its existing customers that will switch over to buy the cheaper imported subject products from China and India.

The Applicant stated that based on the above it is estimated that China and India would capture at least 22.31 percent of the SACU import market share, which is based on the 22.31 percent import market share it had in 1997/1998, prior the imposition of the anti-dumping duties.

The Applicant estimates that should the anti-dumping duties be removed, the import volumes from China and India would increase. This increase is expected to be at the expense of the SACU industry.

5.2.2 Effect on Domestic Prices

5.2.2.1 Price undercutting

Price undercutting is the extent to which the price of the imported product is lower than the price of the SACU product.

Table 5.2.2.1: Price undercutting

China: (R/Ton)

HS 7005.29.17 (3 mm)	2016/2017	2017/2018	2018/2019	Estimates if duties expire
SACU selling price	100	88	97	94
Dumped products				
Import Price FOB	1 466	-	3 317	3 262
Import Price landed*	2 774	-	4 869	3 690
Price undercutting	Yes	N/A	No	Yes
Price undercutting %	Yes	N/A	No	Yes

China: (R/Ton)

HS 7005.29.17 (4 mm)	2016/2017	2017/2018	2018/2019	Estimates if duties expire
SACU selling price	100	86	93	90
Dumped products				
Import Price FOB	3 943	4 903	3 302	3 302
Import Price landed*	5 224	6 292	4 509	3 679
Price undercutting	No	No	Yes	Yes
Price undercutting %	No	No	Yes	Yes

China: (R/Ton)

HS 7005.29.17 (5 mm)	2016/2017	2017/2018	2018/2019	Estimates if duties expire
SACU selling price	100	92	106	113
Dumped products				
Import Price FOB	4 762	3 078	1 016	1 016
Import Price landed*	5 954	4 081	1 787	1 130
Price undercutting	No	No	Yes	Yes
Price undercutting %	No	No	Yes	Yes

China: (R/Ton)

HS 7005.29.17 (6 mm)	2016/2017	2017/2018	2018/2019	Estimates if duties expire
SACU selling price	100	89	98	107
Dumped products				
Import Price FOB	5 882	4 350	1 506	1 506
Import Price landed*	7 080	5 378	2 219	1 674
Price undercutting	No	No	Yes	Yes
Price undercutting %	No	No	Yes	Yes

India: (R/Ton)

HS 7005.29.17 (3 mm)	2016/2017	2017/2018	2018/2019	Estimates if duties expire
SACU selling price	100	88	97	94
Dumped products				
Import Price FOB	-	-	3 556	3 556
Import Price landed*	-	-	4 023	4 023
Price undercutting	N/A	N/A	N/A	Yes
Price undercutting %	N/A	N/A	N/A	Yes

India: (R/Ton)

HS 7005.29.17 (4 mm)	2016/2017	2017/2018	2018/2019	Estimates if duties expire
SACU selling price	100	86	93	90
Dumped products				
Import Price FOB	-	-	3 450	3 450
Import Price landed*	-	-	3 845	3 845
Price undercutting	N/A	N/A	N/A	Yes
Price undercutting %	N/A	N/A	N/A	Yes

India: (R/Ton)

HS 7005.29.17 (6 mm)	2016/2017	2017/2018	2018/2019	Estimates if duties expire
SACU selling price	100	89	98	108
Dumped products				
Import Price FOB	-	-	3 347	3 347
Import Price landed*	-	-	3 719	3 719
Price undercutting	N/A	N/A	N/A	Yes
Price undercutting %	N/A	N/A	N/A	Yes

Tables indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that Chinese imports of the 3mm subject product undercut its net ex-factory selling prices during the 2016/2017 and 2017/2018 periods, despite the fact that anti-dumping duties were in place. According to the import data for the period 2017/2018 and 2018/2019 there was no undercutting. The Applicant stated that the import price of SARS appears to be unreliable. When the quoted price from China is used it is noted that it is very close to the Applicant's suppressed selling price.

The Applicant stated that for the 4mm, 5mm and 6mm products, there was no price undercutting experienced during 2016/2017 and 2017/2018.

The Applicant further stated that from the estimates for the 2020 period, if the anti-dumping duties are removed it is evident that price undercutting will occur for the subject product leading to the SACU industry suffering material injury. The Applicant estimates that it will lose its sales volume to the dumped imports from China and India. The Applicant also stated that the exporters from China and India would reduce their selling prices of the subject products to even lower than the estimated prices undercutting the SACU industry's prices even further.

The Applicant stated that with regard to India it is noted that if the quoted export prices to SACU are used that only the 6mm product from India in 2018/2019 undercut its selling price.

5.2.2.2 Price depression

The table below shows the Applicant's selling price for the injury period beginning 01 September 2016 to 31 August 2019, and an estimate in the event of the duties expiring:

Table 5.2.2.2: Price depression

(Rand/ton)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
HS 7005.29.17 (3 mm)	100	88	97	94
HS 7005.29.23 (4 mm)	100	87	93	90
HS 7005.29.25 (5 mm)	100	92	106	109
HS 7005.29.35 (6 mm)	100	89	98	95
Total	100	88	98	96

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant estimated that if the anti-dumping duties are removed, the SACU Industry's net ex-factory selling price for the subject products in the 2020 period would have to be reduced from the 2018/2019 period, due to the pricing pressure being exerted by the increased dumped imports from China and India. The Applicant stated that this would result in price depression being experienced for all of the subject product categories causing the SACU industry to suffer material injury.

5.2.2.3 Price suppression

The following table shows the Applicant's costs of production and its selling prices for the subject product for the years 2016/2017 to 2018/2019, and an estimate in the event the duties expire:

R/ton

Table 5.2.2.3: Price suppression

	2016/2017	2017/2018	2018/2019	Estimate if duties expire
HS 7005.29.17 (3 mm)				
Selling price (Ex-factory)	100	88	97	94
Cost of production (Ex-Factory)	100	99	106	120
Gross Profit	100	62	76	36
Gross Profit %	100	70	78	38
Cost of production % selling price	100	114	110	127

	2016/2017	2017/2018	2018/2019	Estimate if duties expire
HS 7005.29.23 (4 mm)				
Selling price (Ex-factory)	100	86	93	90
Cost of production (Ex-Factory)	100	100	107	120
Gross Profit	100	54	60	19
Gross Profit %	100	63	65	21
Cost of production % selling price	100	116	115	134
HS 7005.29.25 (5 mm)				
Selling price (Ex-factory)	100	92	106	103
Cost of production (Ex-Factory)	100	99	106	120
Gross Profit	100	60	107	35
Gross Profit %	100	65	100	34
Cost of production % selling price	100	109	100	116
HS 7005.29.35 (6 mm)				
Selling price (Ex-factory)	100	89	98	95
Cost of production (Ex-Factory)	100	100	104	118
Gross Profit	100	63	82	42
Gross Profit %	100	71	84	45
Cost of production % selling price	100	113	107	124

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant has based its estimates on experience taking into consideration prevailing market conditions in the SACU and previous experience on the impact of dumped imports from China and India.

The Applicant estimated that its net ex-factory selling prices for all of the subject products experienced an increasing trend for the period 2016/2017 to 2018/2019, followed by a decreasing trend for the period January 2019 to August 2019, which was especially prominent from April 2019 onwards. The August 2019 price that was significantly lower than the September 2018 price.

5.2.3 Economic factors and indices having a bearing on the state of the industry

5.2.3.1 Actual and potential decline in volumes

The following table shows the Applicant's sales volume of clear drawn and float glass in 2016/2017 to 2018/2019, and an estimate in the event the duties expire:

Table 5.2.3.1 (a): Sales volume

Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
HS 7005.29.17 (3 mm)	100	102	112	95
HS 7005.29.23 (4 mm)	100	92	97	82
HS 7005.29.25 (5 mm)	100	112	104	88
HS 7005.29.35 (6 mm)	100	91	102	87
Total subject product	100	99	107	90

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant based its estimate on experience taking into consideration prevailing market conditions in the SACU and previous experience on the impact of dumped imports from China and India.

The Applicant stated that its sales volume for subject products decreased in 2017/2018, before increasing in the 2018/2019 period. The Applicant stated it is estimated that if the anti-dumping duties are removed the SACU industry sales volumes will decline due to the increased import volume from China and India.

The Applicant stated that the import volume from China and India in 1998/1999, prior to the imposition of the anti-dumping duties had an import market share of 22.31 percent, therefore, it can reasonably be expected that if the anti-dumping duties against the dumped imports of subject products from China and India are removed there would be recurrence of material injury.

Table 5.2.3.1 (b): Sales value

Rand/Ton	2016/2017	2017/2018	2018/2019	Estimate if duties expire
HS 7005.29.17 (3 mm)	100	90	109	89
HS 7005.29.23 (4 mm)	100	79	90	74
HS 7005.29.25 (5 mm)	100	102	111	91
HS 7005.29.35 (6 mm)	100	81	100	82
Total	100	87	103	84

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that its sales value, based on the suppressed selling prices, will also decline and cause material injury to the SACU Industry. It also stated that its sales value will also decline presenting a decrease from the 2018/2019 period, which will lead to material injury being suffered by the SACU Industry.

The Applicant stated that it based its estimate on experience taking into consideration prevailing market conditions in the SACU and previous experience on the impact of dumped imports from China and India.

5.2.3.2 Profit

The following table shows the Applicant's profit before interest and tax for the years 2016/2017 to 2018/2019 and an estimate in the event the duties expire:

Table 5.2.3.2: Profit

HS 7005.29.17 (3 mm)		2016/2017	2017/2018	2018/2019	Estimate if duties expire
Kg Sold	kg	100	102	112	95
Total Gross profit	Rand	100	63	85	34
Total Net Profit	Rand	100	50	81	16
Total Gross profit per kg	R/kg	100	62	76	36
Total Net Profit per kg	R/kg	100	49	72	17

HS 7005.29.23 (4 mm)		2016/2017	2017/2018	2018/2019	Estimate if duties expire
Kg Sold	kg	100	92	97	82
Total Gross profit	Rand	100	50	58	15
Total Net Profit	Rand	100	36	51	-5
Total Gross profit per kg	R/kg	100	54	60	19
Total Net Profit per kg	R/kg	100	39	52	-6

HS 7005.29.25 (5 mm)		2016/2017	2017/2018	2018/2019	Estimate if duties expire
Kg Sold	kg	100	112	104	88
Total Gross profit	Rand	100	67	111	31
Total Net Profit	Rand	100	33	121	-7
Total Gross profit per kg	R/kg	100	60	107	35
Total Net Profit per kg	R/kg	100	30	116	-8

HS 7005.29.35 (6 mm)		2016/2017	2017/2018	2018/2019	Estimate if duties expire
Kg Sold	kg	100	91	102	87
Total Gross profit	Rand	100	58	84	37
Total Net Profit	Rand	100	46	82	21
Total Gross profit per kg	R/kg	100	63	82	42
Total Net Profit per kg	R/kg	100	51	80	24

Total Subject Product		2016/2017	2017/2018	2018/2019	Estimate if duties expire
Kg Sold	kg	100	99	107	90
Total Gross profit	Rand	100	59	79	29
Total Net Profit	Rand	100	45	74	10
Total Gross profit per kg	R/kg	100	60	74	32
Total Net Profit per kg	R/kg	100	46	69	11

Tables indexed due to confidentiality using 2016/2017 as base year

The above tables indicates a decrease in Applicant's profit level from 2016/2017 to 2018/2019. The Applicant stated that if the anti-dumping duties on the subject products from China and India are removed its net profit for the 2020 period will decrease even further, resulting in the SACU industry experiencing serious injury.

The Applicant also stated that the 2020 estimate is based on the fact that if the anti-dumping duties against dumped imports of the subject products from China and India are removed, and the Industry lose sales and therefore must slow down production to keep the inventory at reasonable levels. As a result, production cost is estimated to increase and profits will be under pressure, leading to material injury being experienced by the SACU industry.

The Applicant further stated that declines in profitability where such declines are occasioned by unfair and harmful trading practices such as injurious dumping, are, by definition, material injury.

5.2.3.3 Output

The following table outlines the Applicant's production volume of the subject product for the years 2016/2017 to 2018/2019 and an estimate in the event duties expire:

Table 5.2.3.3: Output

	2016/2017	2017/2018	2018/2019	Estimate if duties expire
	kg	kg	kg	kg
Total production	100	106	107	92
HS 7005.29.17 (3 mm)	100	116	109	91

	2016/2017	2017/2018	2018/2019	Estimate if duties expire
	kg	kg	kg	kg
Total production	100	107	107	92
HS 7005.29.23 (4 mm)	100	99	103	92

	2016/2017	2017/2018	2018/2019	Estimate if duties expire
	kg	kg	kg	kg
Total production	100	106	107	92
HS 7005.29.25 (5 mm)	100	93	98	84

	2016/2017	2017/2018	2018/2019	Estimate if duties expire
	kg	kg	kg	kg
Total production	100	106	107	92
HS 7005.29.35 (6 mm)	100	83	122	109

Tables indexed due to confidentiality using 2016/2017 as base year

The Applicant indicated that the 2020 estimates could very easily be reached based on what happened with the sudden shift in imports to Egypt in April 2019.

The Applicant also stated that its sales volumes are estimated to decline, so would the production volume of the subject products be reduced to prevent increased inventory levels. The Applicant stated that there is an increasing trend in the SACU industry's output over the 2016/2017 period to the 2018/2019 period. This increasing trend is estimated to decrease as indicated above if the anti-dumping duties against dumped imports of subject products from China and India are removed.

5.2.3.4 Market share

The following table shows the market share for the subject product for the years 2016/2017 to 2018/2019 and an estimate in the event the duties expire:

Table 5.2.3.4: Market share (Volume)

HS 7005.29.17 (3 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	102	112	94
Market share: Imports	-	-	-	-
China	22 212	-	254 644	1 690 996
India				469 721
Other countries	15 590 111	14 273 856	9 430 325	9 430 325
Total imports	15 612 323	14 273 856	9 684 969	11 591 042
Total Market	100	100	101	90
HS 7005.29.23 (4 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	91	97	82
Market share: Imports	-	-	-	-
China	389 676	41 123	489 320	9 938 846
India				2 760 791
Other countries	27 169 043	10 697 687	56 434 199	56 434 199
Total imports	27 558 719	10 738 810	56 923 519	69 133 836
Total Market	100	64	153	168
HS 7005.29.25 (5 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	112	104	88
Market share: Imports	-	-	-	-
China	4 630	43 213	154 635	523 628
India				
Other countries	3 421 693	2 302 917	2 192 418	2 192 418
Total imports	3 426 324	2 346 130	2 347 053	2 716 046
Total Market	100	98	93	85
HS 7005.29.35 (6 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	91	102	87
Market share: Imports	-	-	-	-
China	2 972 31	4 8950	94 309	465 936
India				129 427
Other countries	21 159 68	204 0791	2 574 279	2 574 279
Total imports	2 411 99	2 087 41	2 668 588	3 169 641
Total Market	100	90	105	99

The above table reflects that the market share volume of the 3mm subject product category increased between 2016/2017 and 2018/2019 period. For the 4mm subject product category, the Applicant's market share volume decreased between 2016/2017 period and 2018/2019 period. The Applicant's market share volume of the 5mm subject product category increased between 2016/2017 period and 2018/2019 period. For the 6mm subject product category, the Applicant's market share increased between

2016/2017 and 2018/2019 period.

The Applicant stated that if the anti-dumping duties against dumped imports of the subject products from China and India are removed, its market share volume of subject products is expected to decrease for every product category in the 2020 period.

Table 5.3.1.4 Market share (value)

HS 7005.29.17 (3 mm) Rand/Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	90	109	89
Market share: Imports				
China	32 564	-	3 436 927	5 515 911
India				1 670 115
Other countries	55 721 660	50 914 780	39 062 367	39 062 367
Total imports	55 754 224	50 914 780	42 499 294	46 248 393
Total Market	100	90	103	88

HS 7005.29.23 (4 mm) Rand/Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	79	90	73
Market share: Imports				
China	1 536 403	201 575	1 615 498	32 813 286
India				
Other countries	30 297 243	34 659 804	34 449 586	9 526 259
Total imports	31 833 646	34 861 379	36 065 084	34 449 586
Total Market	100	85	94	106

HS 7005.29.25 (5 mm) Rand/Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	102	110	91
Market share: Imports				
China	22 048	133 031	157 114.00	5 32 022
India				
Other countries	9 994 698	7 905 378	9 638 806	9 638 806
Total imports	10 016 746	8 038 409	9 795 920	10 170 828
Total Market	100	97	108	93

HS 7005.29.35 (6 mm) Rand/Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's market share	100	81	100	82
Market share: Imports				
China	174 844 8	212 958	142 108	702 087
India				433 234
Other countries	10 596 591	10 377 609	12 053 286	12 053 286
Total imports	12 345 039	10 590 567	12 195 394	13 188 607
Total Market	100	82	100	89

Tables indexed due to confidentiality using 2016/2017 as base year

The above table reflects that the market share value of the 3mm subject product category increased between 2016/2017 and 2018/2019 period. For the 4mm subject product category, the Applicant's market share value decreased between 2016/2017 period and 2018/2019 period. The Applicant's market share value of the 5mm subject product category increased between 2016/2017 period and 2018/2019 period. For the 6mm subject product category, the Applicant's market share value increased between 2016/2017 and 2018/2019 period.

The Applicant stated that if the anti-dumping duties against dumped imports of the subject products from China and India are removed, its market share value of subject products is expected to decrease for every product category in the 2020 period.

5.2.3.5 Productivity

Using the production and employment figures sourced from the Applicant, its productivity in respect of the subject product was as follows for the years 2016/2017 to 2018/2019, including an estimate in the event the duties expire:

Table 5.2.3.5: Productivity

HS 7005.29.17 (3 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Total production volume	100	116	109	91
Number of employees (Production)	100	107	104	87
Kg per employee	100	108	105	105

HS 7005.29.23 (4 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Total production volume	100	99	103	92
Number of employees (Production)	100	91	98	87
Kg per employee	100	108	105	105

HS 7005.29.25 (5 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Total production volume	100	93	97	84
Number of employees (Production)	100	86	92	80
Kg per employee	100	108	105	105

HS 7005.29.35 (6 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Total production volume	100	83	123	110
Number of employees (Production)	100	77	117	104
Kg per employee	100	108	105	105

Total Subject Product	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Total production volume	100	106	107	92
Number of employees (Production)	100	98	102	88
Kg per employee	100	108	105	105

Tables indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that it is clear from the above table that productivity (production per employee) for the subject products increased from 2016/2017 period to the 2018/2019 period. However, even though the productivity level has also increased from 2016/2017 to 2018/2019, the productivity level dropped in 2018/2019.

The Applicant further stated that it is estimated that if the anti-dumping duties against dumped imports of the subject products from China and India are removed, that the production will be slowed down and that the productivity per employee would decrease as a result. If the same productivity is to be maintained as in the 2018/2019 period, a significant number of employees will have to be retrenched, leading to the industry experiencing material injury.

5.2.3.6 Return on investment

The following table shows the Applicant's return on investment on earnings before interest and tax basis, and an estimate in the event the duties expire:

Table 5.2.3.6: Return on investment

HS 7005.29.17 (3 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Rand				
Net profit	100	50	81	16
Acquisition cost	100	105	108	108
Return on Acquisition cost	100	48	75	15

HS 7005.29.23 (4 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Rand				
Net profit	100	36	51	-5
Acquisition cost	100	94	96	96
Return on Acquisition cost	100	38	53	-5

HS 7005.29.25 (5 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Rand				
Net profit	100	34	121	-7
Acquisition cost	100	112	99	99
Return on Acquisition cost	100	30	122	-7

HS 7005.29.35 (6 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Rand				
Net profit	100	46	82	21
Acquisition cost	100	95	96	96
Return on Acquisition cost	100	49	85	22

Total Subject Product	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Net profit	100	45	74	10
Acquisition cost	100	102	103	103
Return on Acquisition cost	100	45	72	10

Tables indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that its return on net assets for the subject products decreased between the period of 2016/2017 and 2017/2018 period, followed by an increase in the 2018/2019 period. However, a decreasing trend was experienced over the period of investigation.

The Applicant also stated that if the anti-dumping duties against dumped imports of the subject products from China and India are removed, it is expected that return on net assets for subject products is likely to decrease in the 2020 period.

This is as a result of the estimated declining sales volumes and values, as well as profit margins due to the reduction in production as a result of the continuation of dumping that

will be characteristic of the higher volume of dumped imports of the subject products from China and India entering the SACU market.

5.2.3.7 Utilization of production capacity

The following table provides the Applicant's capacity and production for the subject products for the years 2016/2017 to 2018/2019 and an estimate in the event the duties expire:

Table 5.2.3.7: Production capacity

Clear Float Glass - All product				Estimate if duties expire
	2016/2017	2017/2018	2018/2019	
Applicant's production capacity	100	100	100	100
Applicant's actual production	100	106	109	96
Capacity utilisation %	100	106	109	96

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that import volumes from China and India in 1998/1999, prior to the imposition of the anti-dumping duties had an import market share, with an estimate volume for the 2020 period.

The Applicant also stated that if the anti-dumping duties against dumped imports of the subject products from China and India are removed, it is estimated that capacity utilisation relating to the subject products will decrease in the 2020 period to as a result of the slowdown of the plant.

5.2.3.8 Actual and potential negative effects of cash flow

The following table provides the Applicant's cash flow for the years 2016/2017 to 2018/2019 and an estimate in the event the duties expire:

Table 5.2.3.8: Cash flow

HS 7005.29.17 (3 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Cash flow: incoming	100	83	91	15
Cash flow: outgoing	100	118	118	9
Net cash flow	100	29	49	24
Debtors (value)	100	73	93	6
Debtors: average days outstanding	100	85	90	90

HS 7005.29.23 (4 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Cash flow: incoming	100	71	72	47
Cash flow: outgoing	100	111	111	139
Net cash flow	100	20	23	-70
Debtors (value)	100	60	73	46
Debtors: average days outstanding	100	66	67	67

HS 7005.29.25 (5 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Cash flow: incoming	100	77	75	47
Cash flow: outgoing	100	109	117	105
Net cash flow	100	34	17	-33
Debtors (value)	100	65	68	49
Debtors: average days outstanding	100	67	72	72

HS 7005.29.35 (6 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Cash flow: incoming	100	65	70	44
Cash flow: outgoing	100	105	149	148
Net cash flow	100	23	-12	-64
Debtors (value)	100	53	58	45
Debtors: average days outstanding	100	62	66	66

Total Subject Product	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Cash flow: incoming	100	78	83	29
Cash flow: outgoing	100	115	118	61
Net cash flow	100	26	33	-16
Debtors (value)	100	67	83	24
Debtors: average days outstanding	100	76	83	28

Tables indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that its cash flow regarding the specific subject products is not impeded because of the alleged dumped imports as the countries of origin, namely China and India have not exported the product under investigation into the SACU

during the above-stated period. It was stated that in light of the factors outlined above, it is very likely that once the duties expire and these counties gain access to the SACU market, they will dump the subject product which will cause material injury to the industry. This will make their cash flow situation worse off which will result in them being unable to meet their cash obligations significantly.

5.2.3.9 Inventories

The Applicant provided the following levels of inventories for 2016/2017 to 2018/2019 and an estimate in the event the duties expire:

Table 5.2.3.9: Inventories

HS 7005.29.17 (3 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Volume	100	169	125	96
Value	100	170	139	119
Value per unit	100	101	111	125
HS 7005.29.23 (4 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Volume	100	158	149	387
Value	100	161	170	498
Value per unit	100	102	114	129
HS 7005.29.25 (5 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Volume	100	76	96	124
Value	100	77	107	156
Value per unit	100	101	111	125
HS 7005.29.35 (6 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Volume	100	127	250	388
Value	100	128	282	495
Value per unit	100	101	113	127
Total Subject Project				
Volume	100	148	143	211
Value	100	150	160	266
Value per unit	100	101	112	126
HS 7005.29.17 (3 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Volume	100	169	125	96
Value	100	170	139	120
Value per unit	100	100	110	125
HS 7005.29.23 (4 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire

Volume	100	158	149	387
Value	100	160	170	498
Value per unit	100	102	114	129
HS 7005.29.25 (5 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Volume	100	76	96	124
Value	100	77	107	156
Value per unit	100	101	111	125
HS 7005.29.35 (6 mm)	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Volume	100	127	250	388
Value	100	129	283	495
Value per unit	100	101	113	127
Total Subject Product	2017	2018	2019	2020
Volume	100	154	137	189
Value	100	150	160	266
Value per unit	100	97	117	141

Tables indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that its sales volumes are estimated to decline, it is further estimated that as a result of the declining sales volumes in the 2020 period, due to the increased imports from China and India, that it will be forced to cut back on production by slowing down the manufacturing process, with at least the same volume, to manage and keep inventory levels as low as possible for the 2020 period.

An increasing trend of inventory volume of subject products over the 2016/2017 period to the 2018/2019 period. The inventory values of the subject products increased between 2016/2017 and 2018/2019 period.

5.2.3.10 Employment

The following table shows the Applicant's employment level for the years 2016/2017 to 2018/2019 and an estimate in the event of the duties expire:

Table 5.2.3.10: Employment

Clear Float Glass - All products	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Direct labour (units) : production	100	96	100	86
Indirect labour (units) : production	100	100.00	103	89
Total labour (units) : production	100	98	102	88

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that should it want to maintain the same productivity level in 2020 as it did in 2018/2019, it is estimated that the total number of direct production employees for subject products would have to be reduced, whilst indirect labour would also have to be reduced.

The Applicant further indicated that there was an increasing trend in the total number of employees with regard to the production of subject products the total number of production employees remained the same in 2016/2017 and 2018/2019, with a slight reduction that was experienced for 2018/2019.

The Applicant also stated that if the anti-dumping duties against dumped imports of the subject products from China and India are removed, the total number of production employees of the subject products is expected to be reduced in order to maintain the same productivity levels as in 2018/2019. The SACU industry will experience material injury as a result.

The Applicant stated that if the anti-dumping duties are removed, and productivity declines it will be forced to review the sustainability of the estimated total production employment. As a result of the continuation of dumping, it will likely lead to the reduction of the total production employment number, which would however be considered as a last resort.

5.2.3.11 Wages

Using the production wages and employment figures sourced from the Applicant, its production wages per employee in respect of the subject products is as follows,

including an estimate in the event of the duties expire:

Table 5.2.3.11: Wages

Clear Float Glass - All products Rand	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Direct Wages: Production	100	108	116	125
Indirect Wages: Production	100	103	92	97
Total wages: Production	100	105	103	108
Wage cost per ton produced	100	99	94	113

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that there was an increasing trend in the total remuneration of employees involved in the production of subject products, for the total remuneration concerned increased between 2016/2017 period and 2017/2018 period, with an additional increase in the 2018/2019 period. The Applicant also stated if the anti-dumping duties on dumped imports of the subject products from China and India are removed, its total remuneration of employees involved in production of subject products is expected to increase in line with inflation from the 2018/2019 period, which will increase production costs further, resulting in material injury being experienced by the SACU industry.

5.2.3.12 Growth

The following table provides the Applicant's growth information for the years 2016/2017 to 2018/2019 and an estimate in the event of the duties expire:

Table 5.2.3.12: Growth

HS 7005.29.17 (3 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's sales	100	102	112	95
Imports:				
China	22 212	-	254 644	1 690 996
India	-	-	-	-
Other countries	15 590 111	14 273 856	9 430 325	60
Total imports	15 612 323	14 273 856	9 684 969	74
Total SACU Market	100	100	101	90

HS 7005.29.23 (4 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's sales	100	91	97	82
Imports:				
China	389 676	41 123	489 320	9 938 846
India	-	-	-	-
Other countries	27 169 043	10 697 687	56 434 199	207
Total imports	27 558 719	10 738 810	56 923 519	251
Total SACU Market	100	65	153	168

HS 7005.29.25 (5 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's sales	100	111	104	88
Imports:				
China	4 630	43 213	154 635	523 628
India	-	-	-	-
Other countries	3 421 693	2 302 917	2 192 418	64
Total imports	3 426 324	2 346 130	2 347 053	79
Total SACU Market	100	98	93	85

HS 7005.29.35 (6 mm) Kg	2016/2017	2017/2018	2018/2019	Estimate if duties expire
Applicant's sales	100	91	102	87
Imports:				
China	297 231	48 950	94 309	465 936
India	-	-	-	-
Other countries	2 115 968	2 040 791	2 574 279	121
Total imports	2 413 199	2 089 741	2 668 588	131
Total SACU Market	100	90	105	99

Tables indexed due to confidentiality using 2016/2017 as base year

The Applicant indicated that a negative growth in sales volume during the period of investigation for the subject products market share volume (ton) categories showed a positive market share growth from the 2016/2017 to the 2018/2019 period, whilst the 4mm subject product category showed a decline.

The import volume from China and India in 1998/1999, prior to the imposition of the anti-dumping duties had an import market share, which estimate volumes for the 2020 period are based on. The SACU sales volumes are estimated to decline with at least the same volume in the 2020 period, due to the increased imports from China and India, and

therefore the SACU Industry is likely to cut back on production to manage and keep inventory levels low, leading to decline in 2020.

5.2.3.13 Ability to raise capital or investments

The following table provides the Applicant's ability to raise capital and investment for the years 2016/2017 to 2018/2019 and an estimate in the event the duties expire:

Table 5.2.3.13: Ability to raise capital or investment

HS 7005.29.17 (3 mm)		2017	2018	2019	2020
Total capital/investment in the subject product	Rand	100	105	108	108
Capital expenditure during year on subject product	Rand	100	44	44	44
HS 7005.29.23 (4 mm)		2017	2018	2019	2020
Total capital/investment in the subject product	Rand	100	94	95	95
Capital expenditure during year on subject product	Rand	100	39	71	71
HS 7005.29.25 (5 mm)		2017	2018	2019	2020
Total capital/investment in the subject product	Rand	100	112	99	99
Capital expenditure during year on subject product	Rand	100	48	73	73
HS 7005.29.35 (6 mm)		2017	2018	2019	2020
Total capital/investment in the subject product	Rand	100	95	96	96
Capital expenditure during year on subject product	Rand	100	40	71	71
Total Subject Product		2017	2018	2019	2020
Total capital/investment in the subject product	Rand	100	102	103	103
Capital expenditure during year on subject product	Rand	100	43	56	56

Table indexed due to confidentiality using 2016/2017 as base year

The Applicant stated that total capital expenditure for the subject products reflects an increasing trend during the period of investigation, as a result of certain routine maintenance that had to be incurred.

The Applicant also stated that there is currently no need to raise additional capital or investment. However, it needs to be borne in mind that the next manufacturing plant refurbishments could be required by 2024 and 2026 due to the useful life of the

furnaces. The significant capital investment required for this process would need to be funded either internally and/or externally. As a result of the current dumped products in the SACU market, difficulties would be experienced in raising the required capital.

5.3 CONCLUSION – RECURRENCE OF MATERIAL INJURY

After considering all the information available, the Commission made a final determination that the expiry of the anti-dumping duties would likely lead to the recurrence of material injury.

6. FINAL DUTIES

6.1 Amount of duties

The table below is provided for the purposes of comparison between the applicable anti-dumping duties and the calculated anti-dumping margin in the investigation:

Tariff Heading/ Subheading	Description	Imported from or Originating in	Rate of Anti- Dumping Duty	Calculated dumping margin
7004.90.90	Drawn glass and blown glass, in sheets, whether or not having an absorbent or reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 6 mm (excluding optical glass)	China	562c/m ²	276c/ m ²
7004.90.90	Drawn glass and blown glass, in sheets, whether or not having an absorbent or reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 6 mm (excluding optical glass)	India	587c/m ²	594c/ m ²
7005.29.17	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 3 mm (excluding optical glass)	India	720c/m ²	281c/ m ²
7005.29.17	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 2,5 mm but not exceeding 6 mm (excluding optical glass), (excluding that manufactured by Dalian Float Glass Co. Ltd.)	China	802c/m ²	276c/ m ²
7005.29.23	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 3 mm but not exceeding 4 mm (excluding optical glass).	China	802c/m ²	144c/ m ²
7005.29.23	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 3 mm but not exceeding 4 mm (excluding optical glass).	India	886c/m ²	281c/ m ²
7005.29.25	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 4 mm but not exceeding 5 mm (excluding optical glass).	China	802c/m ²	361c/ m ²
7005.29.35	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 5 mm but not exceeding 6 mm (excluding optical glass).	India	1 387c/m ²	594c/ m ²
7005.29.35	Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked, of a thickness exceeding 5 mm but not exceeding 6 mm (excluding optical glass).	China	802c/m ²	361c/m ²

Commission's consideration

The Commission considered that there were no imports of the subject products from India during the period of investigation, and that imports from China were low compared to imports from other countries. The Commission also noted that the calculated duties are lower than the anti-dumping duties currently in place. A reasonable conclusion can be drawn that the current anti-dumping duties on the subject products imported from China and India are effective in levelling the playing field.

Since no responses were received from any manufacturer in China and India and imports were at low levels during the period of investigation, the Commission made a final determination to recommend to the Minister of Trade, Industry and Competition that the current anti-dumping duties on clear drawn and float glass originating in or imported from China and India be maintained.

7. SUMMARY OF FINDINGS

7.1 Continuation or recurrence of dumping

The Commission made a final determination that there is a likelihood of continuation or recurrence of dumping from China and India should the anti-dumping duties expire.

7.2 Recurrence of material injury

The Commission made a final determination that the expiry of the anti-dumping duties imposed on the subject product would likely lead to the recurrence of material injury.

8. FINAL DETERMINATION

The Commission made a final determination that the expiry of the anti-dumping duties imposed on the subject products would likely lead to the continuation or recurrence of dumping of the subject products originating in or imported from China and India and the expiry of the duties would likely lead to the recurrence of material injury.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the anti-dumping duties on clear float and drawn glass originating in or imported from China and India be, maintained.

