

REPORT NO. 659

**SUNSET REVIEW OF THE ANTI-DUMPING DUTIES ON WHEELBARROWS ORIGINATING
IN OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA: FINAL DETERMINATION**

The International Trade Administration Commission of South Africa herewith presents its
Report No 659.:**SUNSET REVIEW OF THE ANTI-DUMPING DUTIES ON WHEELBARROWS
ORIGINATING IN OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA: FINAL
DETERMINATION**



Meluleki Nzimande
CHIEF COMMISSIONER

PRETORIA

5/5/ 2021

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

SUNSET REVIEW OF THE ANTI-DUMPING DUTIES ON WHEELBARROWS ORIGINATING IN OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA: FINAL DETERMINATION

SYNOPSIS

On 24 May 2019, the International Trade Administration Commission of South Africa (the Commission) notified the SACU industry through Notice No. 284 of 2019 in *Government Gazette* Number 42474, that the anti-dumping duties on the subject product originating in or imported from the People's Republic of China (PRC) would expire on 03 September 2020 unless a substantiated request is made by the Southern African Customs Union (SACU) industry, indicating that the expiry of the said anti-dumping duties would likely lead to the continuation or recurrence of dumping and material injury.

On 04 March 2020, a response was received from Ussher Inventions (Pty) Ltd (trading as Lasher Tools) supported by Pabar (Pty) Ltd on behalf of the SACU industry indicating that the expiry of the anti-dumping duties on wheelbarrows would likely lead to the continuation and/or recurrence of dumping and material injury to the SACU industry.

On 07 August 2020, the Commission initiated a sunset review of the anti-dumping duties on wheelbarrows originating in or imported from the PRC through Notice Number 427 of 2020, which was published in the *Government Gazette* Number 43591.

The investigation was initiated after the Commission considered that the Applicant submitted *prima facie* information that the expiry of the anti-dumping duties on wheelbarrows originating in or imported from the PRC would likely lead to the continuation and/ or recurrence of dumping and material injury.

Subsequent to initiation of the investigation, all known interested parties were informed and requested to respond to the relevant questionnaires and the non-confidential version of the application.

There were no responses to the Commission's questionnaires from importers, producers and exporters of wheelbarrows. Comments were received from a producer, Qingdao Wantai Special Hand Truck Co. Ltd.

On 15 February 2021, essential facts letters were sent to the interested parties to allow comments on the Commission's considerations prior the final determination. The deadline for comments was 01 March 2021.

There were no responses received to the essential facts letters from producers and exporters of wheelbarrows from the PRC.

The dumping margin was therefore determined based on facts available which is the information supplied by the applicant and contained in the application.

After considering all interested parties' comments, the Commission made a final determination that the expiry of the anti-dumping duties on wheelbarrows originating in or imported from the PRC would likely lead to the continuation or recurrence of dumping and material injury to the SACU industry.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the anti-dumping duties on wheelbarrows originating in or imported from the PRC excluding those manufactured by Qingdao Yongyi Metal Products Co Ltd be increased from 3720c per unit to 103736c per unit.

1. APPLICATION AND PROCEDURE

- 1.1 This investigation is conducted in accordance with the International Trade Administration Act, 2002, the International Trade Administration Commission of South Africa Anti-Dumping Regulations (ADR) and giving due regard to the World Trade Organisation (WTO) Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, 1994 (the Anti-Dumping Agreement).
- 1.2 On 24 May 2019, the Commission notified the SACU industry through Notice Number 284 of 2019 in Government Gazette Number 42474, that the anti-dumping duties on the subject product originating in or imported from the PRC would expire on 03 September 2020 unless a substantiated request is made by the SACU industry, indicating that the expiry of the said anti-dumping duties would likely lead to the continuation or recurrence of dumping and material injury.
- 1.3 On 04 March 2020, a sunset review application was received from Ussher Inventions (Pty) Ltd (trading as Lasher Tools) supported by Pabar (Pty) Ltd on behalf of the SACU industry. After all the deficiencies were addressed, an updated sunset review application was received on 26 May 2020.
- 1.4 The application was lodged by Ussher Inventions (Pty) Ltd (trading as Lasher Tools) supported by Pabar (Pty) Ltd together constitute 100% of SACU industry production of wheelbarrows from 01 July 2018 to 30 June 2019. The applicant alleged that the expiry of the anti-dumping duties on wheelbarrows would likely lead to the continuation and/or recurrence of dumping and material injury to the SACU industry.
- 1.5 On 07 August 2020, the investigation was initiated through Notice Number 427 of 2020, which was published in the *Government Gazette* Number 43591.
- 1.6 On 12 August 2020, the initiation notice, non-confidential version of the application and the exporters/importers questionnaires were sent to all known interested parties.

- 1.7 The investigation period for dumping as contained in this report is from 01 July 2018 to 30 June 2019. The information evaluated with regard to material injury is from 01 July 2016 to 30 June 2019, and estimated material injury information is furnished for the period 01 July 2019 - 30 June 2020 in the event that the anti-dumping duties expire.
- 1.8 No producers and exporters of wheelbarrows from the PRC responded to the Commission's exporter questionnaires. Comments were received from Qingdao Wantai Special Hand Truck Co. Ltd.
- 1.9 No importers of wheelbarrows responded to the Commission's importer questionnaire.
- 1.10 On 15 February 2021, essential facts letters were sent to the interested parties to allow comments on the Commission's considerations prior to the final determination. The deadline for comments was 01 March 2021.
- 1.11 No responses to the essential facts letter from producers and exporters of wheelbarrows from the PRC were received.
- 1.12 The applicant responded to the essential facts letter and agreed with the Commission's consideration for the final determination.
- 1.13 The Commission took into account all comments received in making its final determination.
- 1.14 It should be noted that this report does not purport to present all comments received and considered by the Commission. However, some salient comments received from interested parties and the Commission's consideration of these comments are included in this report.

2. PRODUCT, TARIFF CLASSIFICATION AND DUTIES

2.1 IMPORTED PRODUCT

2.1.1 Description

The applicant described the imported product as a steel or plastic wheelbarrow. The product is a small cart with a single wheel at the front and two supporting legs, and two handles at the rear used typically for carrying loads in the mining, agricultural and building industries or households.

2.1.2 Country of origin/export

The subject product originates in or is imported from the PRC.

2.1.3 Tariff Classification

The subject product is classifiable under the following tariff subheading:

Table 2.1.3: Tariff classification

Tariff subheading	Description	Statistical unit	Customs duty					
			General	EU	EFTA	SADC	MERCOSUR	AfCFTA
8716	Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof:							
8716.80	- Other vehicles:							
8716.80.10	Wheelbarrows	U	15%	free	Free	free	15%	15%

2.1.4 Possible tariff loopholes

The applicant stated that it is not aware of tariff any loopholes however, there is a suspicion that the product might in some instances be under invoiced, imported in knock down form and assembled in SACU. Problems are also experienced with counterfeit goods that are imported and distributed in SACU.

2.1.5 Current anti- dumping duties on wheelbarrows

The anti-dumping duties on wheelbarrows are as follows:

Table 2.1.5: Current anti-dumping duties

TARIFF SUBHEADING	DESCRIPTION	ORIGINATING IN OR IMPORTED	RATE OF ANTI- DUMPING DUTY
8718.80.10	Wheelbarrows manufactured by Qingdao Youhe Handtruck Co. Ltd	PRC	32.32%
	Wheelbarrows manufactured by Qingdao Wantai Special Handtruck Co. Ltd	PRC	39.92%
	Wheelbarrows (excluding that manufactured by Qingdao Yongyi Metal Products Co. Ltd; Qingdao Youhe Handtruck Co. Ltd and Qingdao Wantai Special Handtruck Co. Ltd)	PRC	29.82%

2.2 SACU PRODUCT

2.2.1 Description

The applicant described the SACU product as a steel or plastic wheelbarrow. The product is a small cart with a single wheel at the front and two supporting legs and two handles at the rear, used typically for carrying loads in the mining, agricultural and building industries or households.

In the original investigation, the Commission found that the SACU product and the imported product are "like products" as defined in Regulation 1 of the Anti-Dumping Regulations and made a final determination to this effect for purposes of comparison.

3. INDUSTRY STANDING

The application was lodged by Ussher Inventions (Pty) Ltd (trading as Lasher Tools) supported by Pabar (Pty) Ltd and together constitute 100% of the SACU industry production of wheelbarrows over the period 01 July 2018 to 30 June 2019.

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 Regulation 7 of the Anti-dumping Regulations.

4. CONTINUATION OR RECURRENCE OF DUMPING

METHODOLOGY USED FOR ALL PRODUCERS/ EXPORTERS IN THE PRC

There were no responses received from producers and exporters in the PRC. The Commission made a final determination that the dumping margin be determined based on facts available in terms of Regulation 1 of the Anti-Dumping Regulations. The facts available in this case comprise information supplied by the applicant and contained in the application.

4.1 Normal value for wheelbarrows

There were no responses received from producers and exporters in the PRC. The Commission made a final determination that the normal value be determined based on facts available. The facts available in this instance comprise information considered by the Commission for merit determination, being the information supplied by the applicant.

The Record of Understanding Between the International Trade Administration Commission of South Africa and the Bureau of Fair Trade for Imports and Exports (BOFT) of the Ministry of Commerce of the People Republic of China provides that the PRC be treated as a market economy for purposes of anti-dumping investigations. In instances where information on the domestic selling prices in the PRC is not reasonably available to the SACU industries, SACU industries can use alternative methods, which are permitted by the WTO in the determination of normal value for the PRC.

The applicant determined the normal value based on the domestic price in the PRC. To substantiate the domestic price in the PRC, the applicant provided a purchase order from the manufacturer of the subject product obtained through a trader. The purchase order shows price per unit of seven models of wheelbarrows. The average price in Chinese Yuan (CNY) is 619.86 per unit. It was then adjusted by 13% for Value Added Tax and 4% for transport costs to derive an ex-factory normal value of CNY517.70 per unit for the period 01 July 2018 to 30 June 2019. The Chinese Yuan value was then converted to R1 077.32 South African Rands (ZAR) per unit. The currency conversions were sourced from oanda.com.

4.2 Export price

There were no responses from producers and exporters from the PRC. The Commission made a final determination that the export price be determined based on facts available. The facts available in this instance are the official import statistics from the South African Revenue Service (SARS) for the period 01 July 2018 to 30 June 2019. Free on Board (FOB) export price was determined to be R41.42 per unit. This figure was adjusted by 3.52% for inland transport to derive the ex-factory export price of R39.96 per unit.

4.3 Margin of dumping

The margin of dumping was determined to be 2596.14% as a percentage of the ex-factory export price. A calculated rate of duty of 103 736c per unit equals margin of dumping.

Conclusion

Having considered the information at its disposal, the Commission made a final determination that the expiry of the anti-dumping duties would likely lead to the continuation or recurrence of dumping of the subject product originating in or imported from the PRC.

5. MATERIAL INJURY

5.1 DOMESTIC INDUSTRY - MAJOR PROPORTION OF PRODUCTION

The information used for the analysis of the likelihood of recurrence and/or continuation of material injury relates to information submitted by the Ussher Inventions (Pty) Ltd (trading as Lasher Tools) which constitute more than 90% of SACU production volumes.

Based on this information as provided by the Applicant, the Commission made a final determination that this constitutes "a major proportion" of the total domestic production, in accordance with Regulation 7 of the Anti-Dumping Regulations.

5.2 IMPORT VOLUMES AND EFFECT ON PRICES

5.2.1 Import volumes

Table 5.2.1 below shows the volume of the allegedly dumped imports of the subject product as sourced from SARS for the period 01 July 2016 to 30 June 2019 and the applicant's estimates, should the anti-dumping duties be removed.

Table 5.2.1: Import Volumes (In units)

	2016/17	2017/18	2018/19	Estimates if anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Alleged dumped imports (PRC)	151 051	306 261	157 443	270 355	Increase
Other Imports	276	25 451	6 676	6 676	Constant
Total Imports	151 327	331 712	164 119	277 031	Increase
Imports from the PRC as a % of total imports	99.82%	92.32%	95.93%	97.59%	Increase

It is estimated that should the anti-dumping duties be removed, imports from the PRC are likely to increase to at least 50 percent of the import volume for the period July 2012 to June 2013 prior to the imposition of the anti-dumping duties. The applicant stated the percentage is based on the fact that PRC imports accounted for more than 50% of the SACU market share as indicated in the Commission's final determination report no 502, dated 31 July 2015.

The applicant also stated that the estimate is lower than the highest imported volume for 2018. Therefore, the estimated volumes are considered not to be unrealistically high but rather a very low and conservative.

Table 5.2.1 above indicates that imports from the PRC increased by 102.75% from 2016/17 to 2017/18, decreased by 48.59% from 2017/18 to 2018/19, increased by 4.23% from 2016/17 to 2018/19 and are estimated to increase should the anti-dumping duties be removed.

Commission's consideration

The alleged dumped imports still account for a substantial share of imports to SACU even with the anti-dumping duties in place. The existence of anti-dumping duties has not deterred imports of the subject product from the PRC, which are estimated to further increase.

5.2.2 Effect on Domestic Prices

The applicant estimated that 2019 ex-factory price of the subject product will be maintained.

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 like product produced by the SACU industry. The price undercutting was determined based on the applicant's ex-factory price and the landed cost of the imported product from the PRC. The landed cost was calculated using the weighted average PRC Free on Board (FOB) export value per unit plus cost of freight, insurance and clearing costs and applicable ordinary customs duties.

Table 5.2.2.1: Price undercutting

R/Unit	2016/17	2017/18	2018/19	Estimates If the anti- dumping duties expire	Increase/decrease If the anti-dumping duties expire
Price undercutting per unit	Yes	Yes	Yes	Yes	Yes
Undercutting percentage	Yes	Yes	Yes	Yes	Yes

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.2.1 above indicates that the applicant experienced price undercutting from 2016/17 to 2018/19. It is estimated that if the 2019 selling price is maintained should the anti-dumping duties be removed, price undercutting will occur at an even higher margin.

5.2.2.2 Price depression

Price depression takes place where the SACU industry's ex-factory selling price decreases over a period of time (in this case, from 2016/17 to 2018/19).

Table 5.2.2.2: Price depression

R/Unit	2016/17	2017/18	2018/19	Estimates if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant's ex-factory selling price	100	112	119	119	Constant

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.2.2 above indicates that the applicant's ex-factory selling price increased by 19 index points from 2016/17 to 2018/19 and is estimated to remain constant should the anti-dumping duties be removed. It is estimated that the SACU industry will initially charge 2018/19 prices. However, selling prices would eventually have to be reduced due to the pricing pressure being exerted by the increased alleged dumped imports from the PRC.

5.2.2.3 Price suppression

Price suppression is the extent to which increases in the cost of production of the product concerned, cannot be recovered in selling prices over a period of time.

Table 5.2.2.3: Price suppression

R/Unit	2016/17	2017/18	2018/19	Estimates if the dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant's ex-factory selling price	100	112	119	119	Constant
Cost of production	100	107	109	120	Increase
Cost of production as % of selling price	100	95	92	101	Increase

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.2.3 above shows that cost of production as a percentage of selling price decreased from 2016/17 to 2018/19 and is estimated to increase should the anti-dumping duties be removed. It is estimated that price suppression will occur if 2018/2019 selling price is maintained with the cost of production increasing and a loss in sales volume.

5.2.3 IMPACT OF THE DUMPED IMPORTS ON THE SACU INDUSTRY

5.2.3.1 Actual and potential decline in sales volume

The following table shows the applicant's SACU sales volume:

Table 5.2.3.1: SACU sales volume

Units	2016/17	2017/18	2018/19	Estimates if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant's sales volumes	100	87	103	77	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.1 above indicates that sales volumes increased by 3 index points from 2016/17 to 2018/19 and are estimated to decrease should the anti-dumping duties be removed. It is estimated that SACU industry sales volumes will decline due to the increased import volumes from the PRC taking sales away from the SACU industry manufacturers.

5.2.3.2 Actual and potential decline in sales values

The following table shows the applicant's SACU sales values:

Table 5.2.3.2: SACU sales values

Rands	2016/17	2017/18	2018/19	Estimates if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant's sales value	100	98	122	91	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.2 above indicates that applicant's sales values increased by 22 index from 2016/17 to 2018/19 and are estimated to decrease should the anti-dumping duties be removed.

It is estimated that the applicant's sales values will decline as a result of estimated decline in sales volumes and suppressed selling prices.

5.2.3.3 Market share

The following table shows the market share for the subject product based on sales and import volumes:

Table 5.2.3.3: Market Share

%	2016/17	2017/18	2018/19	Estimates if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant share as % of total market	100	72	98	73	Decrease
Other producers share as % of total market	100	74	109	81	Decrease
Total SACU producers as % of SACU market	100	72	99	74	Decrease
PRC alleged dumped imports share as % of total market	100	167	100	171	Increase
Other imports share as % of total market	100	7220	2200	2200	Constant

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.3 above indicates that applicant's market share decreased by 2 index points from 2016/17 to 2018/19 and is estimated to further decrease should the anti-dumping duties be removed. The market share of the alleged dumped imports from the PRC remained constant from 2016/17 to 2018/19, and is estimated to increase should the anti-dumping duties be removed. It is estimated that if the anti-dumping duties are removed, PRC import volumes are likely to increase in direct competition with the SACU industry's resulting in reduced SACU industry sales volumes.

5.2.3.4 Profit

The following table shows applicant's profit situation:

Table 5.2.3.4: Profit

Rands/Unit	2016/17	2017/18	2018/19	Estimates If the anti-dumping duties expire	Increase/decrease If the anti-dumping duties expire
Gross profit	100	125	141	116	Decrease
Net Profit	100	128	225	74	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.4 above indicates that gross profit and net profit per unit increased by 41 and 125 index points respectively from 2016/17 to 2018/19 and are estimated to decrease should the anti-dumping duties be removed. It is estimated that the applicant will lose sales volumes and therefore will have to reduce production to keep the inventory at reasonable levels. As a result, the production cost is estimated to increase and profits will be under pressure.

5.2.3.5 Output

The following table shows applicant's output of the subject product:

Table 5.2.3.5: Output

Units	2016/17	2017/18	2018/19	Estimate If the anti-dumping duties expire	Increase/decrease If the anti-dumping duties expire
Applicant's production volume	100	84	104	83	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.5 above shows that applicant's total output increased by 4 index points from 2016/17 to 2018/19 and is estimated to decrease should the anti-dumping duties be removed. It is estimated that the applicant will lose sales volume and therefore will have to reduce production to keep the inventory at reasonable levels.

5.2.3.6: Productivity

The following table indicates applicant's productivity based on total production of the subject product and number of employees in production:

Table 5.2.3.6: Productivity

No of units produced/ No of employees	2016/17	2017/18	2018/19	Estimate if the anti- dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant's output in units	100	84	104	83	Decrease
Applicant's no. of employees in production	100	96	100	100	Constant
Applicant's productivity per employee	100	88	104	83	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.6 above indicates that employee productivity (per employee engaged in production) increased by 4 index points from 2016/17 to 2018/19 and is estimated to decrease should the anti-dumping duties be removed. It is estimated that the applicant sales volumes will decrease and as a result, production would have to be decreased resulting in decrease in the productivity per employee.

5.2.3.7 Utilisation of production capacity

The following table shows applicant's production capacity utilisation:

Table 5.2.3.7: Capacity utilisation

	2016/17	2017/18	2018/19	Estimate if the anti- dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant's total capacity(units)	100	100	100	100	Constant
Total production(Units)	100	84	104	83	Decrease
Capacity utilisation (%)	100	84	104	83	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.7 above indicates that applicant's capacity utilisation increased by 4 index points from 2016/17 to 2018/19 and is estimated to decrease should the anti-dumping duties be removed. It is estimated that the capacity utilisation will decrease as a result of the reduction in production.

5.2.3.8 Return on Investment

The following table shows applicant's return on investment:

Table: 5.2.3.8: Return on Assets

Rands	2016/17	2017/18	2018/19	Estimate if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Net profit	100	111	231	57	Decrease
Net Assets	100	87	72	72	Constant
Applicant's return on net assets (%)	100	128	323	79	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.8 above indicates that applicant's return on investment increased by 223 index points from 2016/17 to 2018/19 and is estimated to decrease should the anti-dumping duties be removed. It is estimated that sales volumes, sales values and profit margin this will have a negative effect on the return on investment.

5.3.3.9 Factors affecting domestic prices

Paragraphs 5.3.2.1 to 5.3.2.3 indicate that should the anti-dumping duties be removed, the applicant will experience price depression, price undercutting and price suppression.

5.3.3.10 Margin of dumping

The following margin of dumping was calculated:

Table 5.3.3.10: Margin of dumping

Tariff- Sub-heading	Product description	Margin of dumping expressed as % of ex- factory export price
8716.80.10	Wheelbarrows	2596.14%

5.2.3.11 Actual and potential negative effects on cash flow estimates

The table below outlines applicant's cash flow:

Table 5.3.3.11: Net Cashflow

Rands	2016/17	2017/18	2018/19	Estimates If the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Net cash flow	100	95	163	25	Decrease

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.11 above indicates that net cash flow increased by 63 index points from 2016/17 to 2018/19 and is estimated to decrease should the anti- dumping duties be removed. The applicant stated that the extent of the decline in net cashflow is difficult to estimate accurately however the actual injury that would be suffered by the SACU industry will be much worse.

5.2.3.12 Inventories

The following table provides the applicant's inventory volume:

Table 5.2.3.12 Inventories

Units	2016/17	2017/18	2018/19	Estimate if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Applicant's inventory volume	100	113	88	88	Constant

The figures were Indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.12 above indicates that inventory volumes decreased by 12 index points from 2016/17 to 2018/19 and are estimated to remain constant (relative to 2018/19) should the anti-dumping duties be removed. The SACU industry indicated that it would be forced to cut back on production to maintain inventory levels similar to 2019.

5.2.3.13 Employment

The following table provides the applicant's employment figures:

Table 5.2.3.13: Employment figures

No. of employees	2016/17	2017/18	2018/19	Estimates if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
No. of employees in manufacturing	100	96	100	100	Constant

The figures were indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.13 above shows that the number of employees in manufacturing remained constant from 2016/17 to 2018/19 and is estimated to remain constant should the anti-dumping duties be removed.

5.2.3.14 Wages

The following table indicates applicant's wages:

Table 5.2.3.14: Wages

Rands	2016/17	2017/18	2018/19	Estimates if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Wages: Production	100	90	110	115	Increase

The figures were Indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.14 above indicates that wages increased by 10 index points from 2016/17 to 2018/19 and are estimated to increase should the anti-dumping duties be removed. It is estimated that the remuneration of employees involved in production will increase in line with the CPI escalation, which will increase production costs even further and result in material injury to the SACU industry.

5.2.3.15 Ability to raise capital or investments

The following table provides applicant's ability to raise capital and investments:

Table 5.2.3.15: Ability to raise capital and investment

	2016/17	2017/18	2018/19	Estimate if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Total capital/investment on subject product	100	101	104	104	Constant
Capital expenditure on subject product	100	28	90	45	Decrease

The figures were Indexed due to confidentiality using 2016/17 as a base year

Table 5.2.3.15 above indicates that the applicant's investment on the subject product increased by 4 index points from 2016/17 to 2018/19 and is estimated to remain constant should the anti-dumping duties be removed. Furthermore, capital expenditure on the subject product decreased 10 index points from 2016/17 to 2018/19 and is estimated to decrease should the anti-dumping duties be removed. The applicant stated that it is not difficult to raise capital or draw investment to expand production where such investment can be shown to be viable, such as when there is effective protection against unfair and harmful trade practices, such as injurious dumping.

5.3.3.16 Growth

The following table indicates growth in the size of the SACU market based on sales and import volumes:

Table 5.2.3.16: Growth

Units	2016/17	2017/18	2018/19	Estimate if the anti-dumping duties expire	Increase/decrease if the anti-dumping duties expire
Size of SACU market	100	122	105	105	Constant
Applicant	100	87	103	77	Decrease
Other SACU producers	100	90	114	85	Decrease
Imports: PRC	100	203	104	179	Increase
Other imports	100	9221	2419	2419	Constant

Table 5.2.3.16 above indicates that the size of the SACU market increased by 5 index points from 2016/17 to 2018/19 and is estimated to remain constant should the anti-dumping duties be removed. The applicant's and other SACU producers' sales volumes increased by 3 and 14 index points respectively from 2016/17 to 2018/19 and are estimated to decrease should the anti-dumping duties be removed. PRC imports increased by 4 index points from 2016/17 to 2018/19 and are estimated to further increase should the anti-dumping duties be removed. Other imports increased by 2319 index points from 2016/17 to 2018/19 and are estimated to remain constant should the anti-dumping duties be removed.

After the evaluation of all material injury indicators the Commission made a final determination that the expiry of the anti-dumping duties would likely lead to the recurrence of material injury to the SACU industry.

6. SUMMARY OF FINDINGS

6.1 Continuation or Recurrence of Dumping

The Commission made a final determination that the expiry of the anti-dumping duties on wheelbarrows originating in or imported from the PRC would likely lead to the continuation or recurrence of dumping into SACU.

6.2 Continuation or Recurrence of Material Injury

After the evaluation of material injury information the Commission made a final determination that the expiry of the anti-dumping duties wheelbarrows originating in or imported from the PRC would likely lead to the recurrence of material injury to the SACU industry.

7. FINAL DUTIES

The applicant requested that the current *ad varoem* anti-dumping duty be changed to a specific duty to address under invoicing. The Commission considered that the PRC FOB prices for wheelbarrows decreased from 2016/17 to 2018/19 and are significantly low in 2018/2019 in comparison to other imports. Furthermore, the Commission considered that when a specific duty is applied the duty is charged based on volume exported even if the FOB value of the imported product is reduced.

The Commission further considered that the current applicable residual anti-dumping duty of 29.82% *ad varoem* equates to 3720c specific duty. There were no responses to the Commission's questionnaire received from exporters or producers in the PRC, therefore the calculated residual anti-dumping duty based facts available equates to a calculated rate of duty of 103736c per unit. The calculated anti-dumping duty is more than the anti-dumping duties, which were the subject matter of the sunset review, and imports of wheelbarrows increased with anti-dumping duties in place.

Qingdao Youhe Handtruck Co. Ltd and Qingdao Wantai Special Handtruck Co. Ltd are producers which were found to be dumping in the original investigation and subject to individual anti-dumping duties of 32.32% and 39.92% respectively. In this investigation, both producers did not respond Commission's exporter questionnaire and their respective applicable anti-dumping duties are less than the calculated residual anti-dumping duty.

Comments from Qingdao Wantai Special Handtruck Co Ltd on the Initiation notice

The extension of duties is opposed, unless the exporter remains exempt from the current duties.

Applicant's response

The statement raised is concerning as it would appear that the subject product exported does not attract any duties whereas the producer is not exempt from the existing anti-dumping duties.

Commission's consideration

The producer was found to be dumping in the original investigation and a duty of 39.92% was imposed and the producer is now included in the residual anti-dumping duty.

After considering all the above, the Commission made a final determination that the current residual anti-dumping duty of 29.82% *ad valorem* be changed to 3720c specific duty and increased to a calculated anti-dumping duty of 103736c per unit.

8. FINAL DETERMINATION

The Commission makes a final determination that:

- The expiry of the anti-dumping duties on wheelbarrows originating in or imported from the PRC would likely lead to the continuation or recurrence of dumping and recurrence of material injury to the SACU industry.
- The current *ad valorem* duty be changed to a specific duty. In this regard, the residual anti-dumping duty of 29.82% which formed the subject matter of the sunset review equates to 3720c specific duty.
- Imports manufactured by Qingdao Youhe Handtruck Co Ltd and Qingdao Wantai Special Handtruck Co. Ltd be subject to the residual anti-dumping duty.

The Commission therefore made a final determination to recommend to the Minister of Trade, Industry and Competition that the anti-dumping duties on imports of wheelbarrows classifiable under tariff sub-heading 8716.80.10 originating in or imported from the PRC excluding those manufactured/produced by Qingdao Yongyi Metal Products Co. Ltd be increased from 29.82 *ad valorem* (i.e. equivalent specific duty of 3720c per unit) to 103736c per unit.