



THE ANTI-DUMPING AND SUBSIDIES COMMISSION

24 Trafalgar Road, Kingston 10, Jamaica

STATEMENT OF REASONS (Preliminary Determination)

**KINGSTON, JAMAICA
December 15, 2003**

REF. NO. SG-01-2003

IN THE MATTER OF an application, pursuant to Section 6 of the Safeguards Act, 2001, submitted by Caribbean Cement Company Limited to the Anti-Dumping and Subsidies Commission;

AND IN THE MATTER OF the **Preliminary Determination** of a Safeguards investigation by the Anti-Dumping and Subsidies Commission pursuant to Section 17 of the Safeguards Act, 2001;

IN RESPECT OF an increase in imports into Jamaica of Ordinary Portland Grey Cement, originating in or exported from the following countries: Argentina, China, Egypt and Russia classified under Harmonized Tariff Schedule Codes: 2523.20, 2523.29 and 2523.291.

I. SUMMARY

On September 1, 2003, the Applicant submitted its request to the Anti-dumping and Subsidies Commission (“the Commission”) for relief from imports of Ordinary Portland Grey Cement hereinafter referred to as “OPC” or “cement” pursuant to Section 6 of the Safeguard Act of 2001 hereinafter referred to as “the Act.”

The investigation was initiated in response to a complaint filed by Caribbean Cement Company Limited of Kingston, Jamaica, in which the Applicant claimed that OPC is being imported into Jamaica in such increased quantities and under such conditions as to cause serious injury and/or

threat thereof to the domestic industry, within the meaning of the Act. The Applicant further alleged that the domestic industry is in critical circumstances such that a provisional measure under the Act is necessary to prevent injury that is ongoing and which would be difficult to repair. The Applicant alleged that the period over which the increased imports have occurred and the period which would therefore be appropriate for the Commission's investigation ("POI") is January 2001 to September 2003.

As a result of the preliminary investigation, the Commission is satisfied that the goods under consideration have been imported in such increased quantities during the period of the POI, and under such conditions as to cause serious injury or threat of serious injury to the domestic industry. The Commission also finds that the industry is in critical circumstances such that there is or is likely to be ongoing injury that is serious, caused by the increase in imports that is as a result of unforeseen circumstances and which would, should a provisional safeguard measure not be imposed, be difficult to repair. Accordingly, the Commission makes an affirmative recommendation to the Minister, pursuant to section 20(1) of the Safeguard Act that a provisional duty be imposed in the amount of Twenty Five Point Eight Three Percent (25.83%), with effect from December 16, 2003 and continuing throughout the pendency of the investigation or until, or for a period not to exceed two hundred days thereafter, whichever is first, unless extended appropriately, pursuant to the provisions of the Act.

II. PARTIES TO THE INVESTIGATION

The Applicant is Caribbean Cement Company Limited, also referred to as "CCCL", with registered offices located at Rockfort, Kingston. CCCL is a limited liability company incorporated under the laws of Jamaica and is in the business of manufacturing and selling bagged, bulk and ready-mix cement. CCCL is also an importer of cement.

Third Party Importers are:

- (i) Mainland International Limited, also referred to as "Mainland", with registered offices located at 8 March Pen Road, Spanish Town, St. Catherine;
- (ii) ARC Systems Limited also referred to as "ARC", with registered offices located at 7 Ashenheim Road, Kingston 11;

- (iii) Bolide International Jamaica Limited, with offices located at 27 Shannon Drive, Kingston Free Zone, Kingston, Jamaica.

The Exporter/Producers are:

- (i) Shandong Metals & Minerals I/E Corp., 9 Tangyi Road, Qingdao, China 266011, Tel: 86-532-575-5583, Fax: 86-532-575-5615;
- (ii) Longkou Fanlin Cement Co., Ltd. Zhu You Guan Town, Longkou, Shandong, China. Tel 0535 856-1336, Fax: 0531 856 1337; also referred to as “Longkou”.
- (iii) PT Semen Cibinong, Bidakara Building, 9th - 10th - 11th floors, Jl. Jendral Gatot, Subroto Kav. 71 – 73, Pancoran, Jakarta 12870, Indonesia, Tel: 62 21 83793220, Fax: 62 21 83793221;
- (iv) The Siam Cement Public Company Limited, 1 Siam Cement Road, Bangsue, Bangkok 10800, Thailand, Tel: (066) 2586-3333, 2586-4444, Fax: (066) 2587-2199;
- (v) Sinai Cement, 187 El Haram Street – Giza, Egypt, Tel: 202-386-8208, Fax: 202-386-6519;
- (vi) Novoros Cement, Tel: 86172 53518, Fax: 86172 57720;
- (vii) Loma Negra CIASA, Bouchard 680 C1106ABJ – Ciudad Autonoma de Buenos Aires, Tel: 54 4319 3000, Fax: 54 4319 3001.

Other Importers of Cement and Sources are:

At commencement, the Commission noted what appeared to be at least 17 other importers of cement from several countries, including countries other than those identified. The cement imported by these other importers did not appear to be intended for sale on the Jamaican market, but seemed to be mainly for specific projects. The Commission investigated a sample of these non-commercial importers and found that some were not, in fact, importers of cement and that others were indeed importing for their own use and not for resale.

III. BACKGROUND

On September 1, 2003, the Applicant submitted a written request to the Commission in which it seeks relief from imports of Ordinary Portland Grey Cement hereinafter referred to as “OPC” or “cement” under the Safeguard Act, 2001 hereinafter referred to as “the Act”.

The Applicant alleges that OPC is being imported into Jamaica in such increased quantities and under such conditions as to cause serious injury and/or threat thereof to the domestic industry within the meaning of the Act and the accompanying Regulations, hereinafter referred to as “the Regulations.” The Applicant further alleges that the Jamaican cement industry is in critical circumstances, and a delay in taking action will cause damage that would be difficult to repair for the domestic industry, thus warranting the application of a provisional safeguard measure.

The Applicant contends that imports into the country of the product concerned are increasing rapidly both in absolute terms, and relative to domestic production and consumption, and in particular, that imports have increased from “9,100 metric tons (“MT”) in 1999 to 129,500 MT in 2002, and 152,500 MT through the first half of 2003. This means that cement imports entered into Jamaica in 2002 were thirteen times greater than those imported in 1999.”

On September 30, 2003 the Commission informed the applicant of its intention to extend the date for initiation from October 1, 2003 to October 16, 2003, pursuant to section 8(3) of the Act. The Commission had obtained some and was awaiting further information from independent sources to verify and supplement the information received. Section 8(3) of the Act permits a reasonable extension where, as in this matter, the Commission obtains additional information.

On October 16, 2003, the Commission initiated an investigation pursuant to sections 4, 6 and 8 of the Act in respect of the increase in imports into Jamaica of OPC originating in or exported from Argentina, China, Egypt and Russia. Subsequently, in furtherance of its investigation, the Commission requested further information from CCCL and forwarded questionnaires to Mainland, ARC Systems, Shandong Metals & Minerals I/E Corp, PT Semen Cibinong, Siam Cement Public Company Limited, Sinai Cement, Novoros Cement and Loma Negra CIASA. Pursuant to section 10(3) of the Act, all parties were notified of deadlines for the duration of the investigation and were required to provide their responses within a twenty-two day period ending November 7, 2003. Bearing in mind the stringent timelines for completion of a Safeguard investigation, but with due regard to difficulties, including issues of translation of documents to and from English, each party was afforded the maximum amount of time that could reasonably be allowed pursuant to section 10(4)). All parties received the questions on October 20 and 22, except those associated with the Russian

exports (the address given to the Commission for that party is no longer valid). Russia is not a member of the World Trade Organization (“WTO”), and therefore, Members’ obligations under the Agreement on Safeguards do not have an impact on Russia’s participation. As a result, the Commission concentrated its efforts in obtaining data from all the other parties. Parties were notified that a request for an extension of the deadline had to be made on or before November 4, 2003.

Requests for extensions of the deadline were received from: Shandong via the Embassy of the People’s Republic of China in Kingston, Jamaica, along with their statement of intention to participate in the investigation (October 31, 2003); Sinai Cement (November 3, 2003); and Loma Negra (November 4, 2003). In the interest of time and to nevertheless provide maximum opportunity under the circumstances for the fair participation of all interested parties, the Commission redesigned the timeline to allow for the gradual provision of data and divided the questionnaire into two sections, in order to prevent interruption of the flow of the investigation¹. A further seven days in the first instance, and fourteen in the second, were allowed for the parties to submit their responses.

The Commission received responses from the Applicant (November 17), the Chinese exporter and producer as well as Mainland (November, 21 and 26)². Loma Negra did not submit responses, despite the permitted first extension, and on November 24, 2003, Sinai requested a further extension of three weeks. The Commission has notified Sinai that its submissions will be received and considered at the next phase of the investigation, however, the information being submitted can not be considered in the making of the Preliminary Determination. The Commission received no responses to its questions from ARC Systems.

After reviewing responses from Mainland and Shandong, a Request for Information (RFI) was forwarded to each party on November 26, 2003. Responses to the RFI’s were due on December 1, 2003 and parties were advised of the importance of meeting the deadlines in order to have the information considered in the making of the Preliminary Determination.

IV. THE PERIOD OF INVESTIGATION

¹ The Questionnaire was divided into two sections those questions, which required basic company data and those, which required evidentiary support that could be considered “time-consuming.”

² Based on the redesigned timeline.

The Commission examined all data available for the period January 1999 to September 2003, paying particular attention to the period January 2003 to September 2003, the period for which the most recent increase in imports was identified. The Commission concluded that the relevant period of investigation (POI) was the period identified.

VI. SCOPE OF THE INVESTIGATION

The Commission defines the scope of the investigation as follows:

***ORDINARY PORTLAND GREY CEMENT USED FOR BUILDING OR CONSTRUCTION PURPOSES
ORIGINATING IN OR EXPORTED FROM ALL SOURCES.***

The narrative definition is covered under separate sub-headings of the Tariff Schedule and represents the scope of the investigation, notwithstanding the tariff classifications below, which are provided for Customs' purposes.

2523.20	Portland Cement
2523.2910.0	Building Cement (grey)
2523.29	Other

A. THE INVESTIGATED PRODUCT

The imported cement products that are the subject of this investigation are goods that fall within the scope of this investigation. They have typically been classified under the tariff heading 2523.29. They may also be classified under the other tariff headings that are listed above.

The particular good produced by the Applicant in Jamaica is Ordinary Portland Grey Cement (OPC), classified under the tariff heading, HS 2523.29 and HS Code 2523.291. Owing to the fact that in the Jamaican market all cement types are substitutable and thus a single fungible product, the Applicant contends, and the Commission agrees, that the scope of the investigation should encompass all cement types imported under the Harmonized System ("HS") Codes 2523.20, 2523.291 and 2523.29 that are used for any building or construction purposes, regardless of type or quality, whether sold or imported per metric ton or in bulk, 1.0 or 1.5 MT O.P. Big (or Jumbo) Bags, 42.5 kg sacks or 50 kg sacks, or packaged in any other form, and for distribution or sale on the local market in any form. The scope specifically excludes oil-well cement (2523.292). The

Commission notes that despite similarities between the investigated product and White Portland cement, white cement is also not within the scope of the investigation.

B. PHYSICAL CHARACTERISTICS AND USE

Ordinary Portland Cement is a hydraulic cement consisting mainly of compounds of lime, alumina, calcium, silica and iron oxide which, when mixed with water and aggregate, chemically react to form concrete, the most widely used construction material in the world. There are eight types of Portland cement, which are classified as Types I through V. In addition, a number of special purpose hydraulic cements are manufactured, among which is White cement. White Portland cement is identical to Grey Portland cement except in colour. The setting properties and strengths of White Portland cement are similar to Grey Portland cement and its uses may be similar. However, White cement may be preferred to Grey cement for architectural and aesthetic purposes. In the Jamaican market, White cement is not substitutable for grey cement because of its significantly higher cost, and was not imported into Jamaica over the POI.

The investigated product in this case has been labelled and imported as OPC Type I or ordinary building grey cement. The Applicant claims that both the domestic and the imported goods conform to technical industry standards accepted worldwide and developed by the American Society for Testing and Materials (ASTM), specifically ASTM C-150. White Portland Cement also conforms to the same industry standard.

C. PRODUCTION PROCESS

Portland Cement, the basic ingredient of concrete, is a closely controlled combination of calcium, silica, aluminium, iron and small amounts of other ingredients to which gypsum is added in the final grinding process to regulate the setting time of the concrete. Common among the materials used in the manufacture are limestone, shell and chalk or marl combined with shale, clay, slate or blast furnace slag, silica sand and iron ore. There are mainly two different processes, dry and wet, used in the manufacture of Portland cement.

Rock mined from a quarry is crushed and then stored with other raw materials to be further processed. After analysis, the raw materials are proportioned, ground to fine powder and blended. In the wet process, the raw materials are ground with water and fed into a kiln as slurry (there is enough water to make it fluid). This process is used where the limestone, shale and clay are soft. Later in the process, additional energy is used to remove the excess water. In the dry process, the raw materials are ground, mixed and fed to the kiln in a dry state. This process is used when the limestone, shale and clay need to be ground. In other respects, the two processes are alike. As the raw materials move through the kiln, they are dehydrated (give off water vapour) and calcinated (give off CO₂). The material is then transformed to clinker from which cement is produced.

VII. LIKE GOODS

Section 2 of the Act states that “like or directly competitive product” in relation to “investigated product” means a locally produced product that is identical or similar to or directly competitive with an investigated product. The Commission found that the investigated product and the domestically produced product, though not identical in all respects, closely resemble each other and are thus considered to be like goods.

The Applicant contends, and the Commission agrees, that the OPC produced by the domestic industry and sold within the local market is a "like product" because it is identical in all respects or closely resembles the imported goods with regard to uses and characteristics, regardless of whether the goods are sold or priced per MT in: bulk; 42.5 or 50 kg (*e.g.*, paper, plastic, 2-ply or 3-ply, or any other bags commonly used within the cement industry); "O.P. big bags" or Jumbo Bags weighing 1.5 MT; or, any other manner, and intended for use in concrete, concrete products, or any other such use as may be applicable to those goods. The OPC cement produced by the Applicant has the same physical and chemical characteristics as the investigated product and they are substantially the same, each being Portland cement conforming to the requisite industry standards accepted worldwide. In addition, the end uses of domestically produced cement and imported cement are similar.

The domestically produced product shares a similar production process with the investigated product. The physical and chemical characteristics are substantially the same, each being Portland Grey cement which conforms to the requisite industry standards accepted worldwide. With regard to quality and performance characteristics, there is no information on the record to suggest that there are any differences, actual or perceived, in quality and performance so significant as to make the goods dissimilar. There are no major differences in function and use between the investigated product and the domestically produced product. The domestically produced goods and the investigated product are directly substitutable for and compete with each other, and distribution methods of the domestically produced goods and the investigated product are the same. Therefore, the Commission has concluded that OPC produced by the domestic industry is a “like good” to the goods under consideration.

Since the Commission finds that the Applicant industry manufactures a “like product” to the goods being imported, it is not necessary for a further analysis to be made in terms of whether the product is “directly competitive” or whether there are other domestic producers of goods which may not be “like products”, but which may be directly competitive.

VIII. DOMESTIC INDUSTRY

The Applicant is the sole producer of Ordinary Portland Grey Cement in Jamaica and thus its production accounts for 100% of the like or directly competitive goods produced in Jamaica. Accordingly, the Commission is satisfied that the Applicant represents the producers as a whole of the like or directly competitive goods and that its production constitutes a major proportion of the domestic industry in accordance with section 1 of the Act.

IX. THE JAMAICAN MARKET

The Jamaican cement market is composed of one producer and many small suppliers that include retailers, distributors and ready-mix operators. The Applicant alleges that it has no ownership or equity interest in any cement suppliers, retailers, distributors, or ready-mix operators and the Commission has not found any evidence to suggest otherwise, based on the submissions of the

parties. The total size of the market has been estimated on the basis of suppliers' sales volumes over the POI.

The Applicant was the sole supplier of cement in Jamaica until 1999 when it encountered competition from Mainland, and, subsequently, other importers such as Bolide and ARC. The market has grown consistently every year over the POI, in particular between 2001 and 2002 when the market grew by 8 per cent. In addition, in the most recent period (January - September 2003) the market has grown by 12% over the similar period in 2002. The primary factors responsible for the growth in cement consumption are specific activities in the construction sector as well as economy-wide construction. This growth is expected to continue during 2003 due to increased activities in the residential and non-residential sub-sectors.

For the period January – September 2003, those suppliers that have been in operation, namely, Mainland, ARC, and the Applicant, accounted for one-eighth (1/8), one-eighth (1/8), and three quarters (3/4) of the market respectively. This compares with one-ninth (1/9), zero (0), and six-sevenths (6/7) in the period 2002. Given the increase in the number of suppliers in the market, its characteristics have changed post 1999. The demand for locally produced cement has become more elastic. Also, the total supply of cement is now determined by the relative availability from the three suppliers named above.

X. INCREASE IN IMPORTS

The standard to be met for a sufficient finding of an increase in imports is that the increase in imports must have been recent enough, sudden enough, sharp enough, and significant enough, both quantitatively and qualitatively, to cause or threaten to cause serious injury.³ The increase in imports can be analysed in both absolute and relative terms.

³The standard has been stated in the WTO Appellate Body decision in *Argentina – Footwear* in the following terms:

“In our view the determination of whether the requirement of imports ‘in such increased quantities’ is met is not a merely mathematical or technical determination. In other words it is not enough for an investigation to show simply that imports of the product this year were more than last year - or five years ago. Again, it bears repeating, not just *any* increased quantities of imports will suffice. There must be “such increased quantities” as to cause or threaten to cause serious injury to the domestic industry in order to fulfill this requirement for applying a safeguard measure. And this language in both Article 2.1 of the Agreement on Safeguards

In analysing the data relating to increase in imports the Commission took account of the following trends: the growth in imports over the entire POI, the growth in imports over the last three years of the POI, the growth in imports over the last two years of the POI, and the growth in imports over the most recent period compared to the same period in previous years in the POI.

The Commission notes that, historically, there has always been a shortfall between domestic production and market demand, which has been supplemented by imports, first by the domestic producer and additionally by other importers since 1999. Evidence provided by the Applicant and verified by other sources shows a 100 per cent increase in imports in 1999 compared to 1998, representing an 11 per cent increase of the share of the domestic market when compared to 1998. Imports for the first nine months of 2003, the most recent period, were 111 per cent higher than the corresponding period in 2002, when additional imports totalling 18,700 MT post initiation are taken into consideration.⁴ Without these imports in that period the increase is nevertheless significant at 91% when compared to the similar period in 2002. Additionally, imports for the first nine months of 2003 are significantly above the level that obtained for the twelve months 2002. For the first nine months of 2003 imports as a percentage of CCCL's production were approximately 45% compared to 21% for the corresponding period in 2002.

XI. EVIDENCE OF INJURY

With regard to the allegations of injury, the Applicant claims that the volumes of the imported product are having, among other consequences, a negative impact on the local industry's:

- production, and workers are seriously injured through declines in production
- capacity utilization,
- market share,
- industry sales volume and value,
- employment and wages,

and Article XIX:1(a) of the GATT 1994, we believe requires that the increase in imports must have been recent enough, sudden enough, sharp enough, and significant enough, both quantitatively and qualitatively, to cause or threaten to cause 'serious injury.'"

⁴ The Applicant reported these volumes in its submissions and the Commission received verification from Jamaica Customs.

- price levels, and
- return on investment.

Additionally, the Applicant claims that the increased imports have negatively affected the profitability of the domestic industry, whose inventories have increased. Further, the Applicant asserts that due to a substantial gap between domestic cement consumption and the production capacity in countries that have exported to Jamaica, there is a high likelihood that these countries will continue to increase their exports to Jamaica.⁵

With respect to the question of serious injury to the Applicant, the Commission has observed from the data provided loss in market share, marginal price undercutting, a period of price depression in 2002 corrected by price increases, and marginal price suppression. In addition, the Commission found that the significant increases in imported cement had a negative effect on the domestic industry's volumes of production, sales (from its own production) and clinker inventory.

A. EFFECT ON MARKET SHARE

The Applicant's production of cement has grown marginally between 1999 and 2002 compared to a 31 per cent growth in the market for the same period. In 1999 locally produced cement controlled a significant portion of the domestic market, rising by 6 per cent in 2001, but was reduced to less than the 1999 figure by July 2003. When the additional cement produced from local clinker is taken into consideration, the local industry's market share remained stable from 1999 to 2002, but is down by 4 per cent in 2003. With the advent of ARC Systems as an importer of cement, combined with imports by Mainland, the Applicant's market share has declined by 12 per cent in the nine seven months leading up to September 2003 compared to the corresponding period in 2002.

B. PRICE EFFECTS

⁵ CCCL written submission of September 1, 2003, page 7

Price effects refer to changes in the level of prices in absolute and relative terms that are the direct result of increased imports into the Jamaican market. Price effects can be evaluated based on changes relative to previous price levels, the competition's price or the domestic industry's unit costs of production. Price effects were analysed in terms of price depression, price undercutting and price suppression.

(1) PRICE DEPRESSION

Price depression is usually the result of downward pressure on prices as a result of increased supply in the market or a deliberate lowering of prices to retain market share. This can be assessed on the basis of percentage changes in prices or trends in the levels of prices before and during the period when imports increased in the market. In this regard, the Commission has looked at the net selling prices of the Applicant over the POI to take account of discounts, rebates and credit charges offered by the Applicant. The Commission notes that the Applicant maintains that its gross selling prices are set independently of market forces such as the increase in supply or the need to maintain its market share. The Applicant maintains that its prices are set on the basis of increases in the cost of production and changes in exchange rates.

The Commission observed some price depression in late 2000 to mid 2001, which was subsequently corrected by a price increase in June 2001. An analysis of the Applicant's average monthly net selling prices shows a price depression of 3 per cent in August 2003, but its net selling prices for September 2003 shows recovery from the price depression in August 2003.

(2) PRICE UNDERCUTTING

Price undercutting refers to instances where the goods under consideration are sold for prices below the domestic like good. In order to assess the extent of any price undercutting, the prices of the imported product and the domestic product must be compared at the same level of trade.

The Applicant alleges that there have been price effects as a result of the increased imports, including price undercutting. Information provided in its September 1, 2003 submission shows a

trend where the competitors maintain prices equivalent to 1 to 7 per cent below those of the Applicant at the retail level.

The Commission finds, on a comparison of the ex-factory warehouse prices of the Applicant, Mainland and Arc Systems for 2003, price undercutting by Mainland of 7 percent and 5 percent by Arc Systems. A comparison of average retail prices also shows price undercutting by Mainland and Arc of 6 percent and 4 percent respectively.

(3) PRICE SUPPRESSION

Price suppression is experienced when the domestic industry's margin between unit cost and selling price cannot be maintained.

The Applicant's net selling prices trended marginally downwards between 1999 and July 2003. However, its margin over the period has shown a gradual increase. A closer comparative look at the half-year periods for 2002 and 2003 shows a slight reduction in margin when compared to 2002.

C. VOLUME EFFECTS

Volume effects refer to changes in the pattern of imports of the investigated product and its absolute and relative effect on the domestic industry's production, carrying inventory, sales and consumption quantities.

(1) PRODUCTION

With the advent of imported cement in 1999, the Applicant's production levels declined relative to its 1998 production levels, and it was not until 2001 that production surpassed the 1998 levels. The Applicant's 2002 production levels show a 3 per cent growth over the 2001 period, but its production for the first nine months of 2003 shows a 3 per cent decline compared to the same period in 2002. However, the Commission is of the view that a further review of the data at a later date is required for a conclusive finding on the effect of the increase in imports on the

production levels of the Applicant. This is because a comparison of prior nine -month periods of 2002 and 2001 shows a 4 per cent reduction in domestic production in 2002 compared to the similar period in 2001, although actual production in 2002 increased above the 2001 levels.

(2) INVENTORY

The Applicant alleges that its inventory levels have risen as a result of the imports. The evidence provided by the Applicant shows that its inventory levels of clinker in the first half of 2003 increased by an average of 50 per cent of inventory levels for the entire 2001 period. In addition, the applicant's carrying clinker inventory for July 2003 represented a 107 per cent increase over its average monthly inventory levels for the 2001 period. The Commission is of the view that with increased imports the Applicant has not been able to dispose of the level of cement it had expected resulting in the holding of large quantities of clinker.

(3) SALES

The evidence provided by the Applicant shows that the sale of imported cement grew by 111 per cent in the nine months up to September 2003 when compared to the similar period in 2002, while sales of local cement fell by 4 per cent in terms of volume.

D. ECONOMIC IMPACT

(1) PROFITABILITY

Profitability refers to an excess of revenues over the cost of generating those revenues. This is usually taken to be the normative indicator of injury, as it reflects the viability of a going concern.

The Commission's determination of injury along the lines of profitability is based on the overall historical profitability along with the impact in the first nine months of 2003. The Commission finds that while the Applicant's sales in the local market for the nine months to September 2003 declined by 6 per cent, its revenue from these reduced quantities grew by 6 per cent above the

similar period of 2002. The Commission also finds that the Applicant's prices in 2003 in response to the devaluation in the Jamaican dollar was more than was required to offset the effects of increased costs, although it should be noted that the Applicant's price increases in May 2003 were reduced 2 days later with the further reduction in its price in July 2003 resulting in its price being maintained at levels below the increase in May 2003.

The Commission finds that operating profits before finance charges grew by 10 per cent in 2003, of which 68 per cent represents increased exports. Profits expressed as a percentage of sales shows a marginal increase over the two previous periods; up to 29 per cent in 2003 from 28 per cent in 2002, and 26 per cent in 2001. The changes in operating profits mirror the changes in the profitability of the Applicant. The profitability, which is normally expressed in terms of its profits as a percentage of assets or capital employed or return on investments, will vary with the level of its profits as there was no significant capital investment in 2003. While the Applicant is not satisfied with its current return on investment it continues to improve its profits against the background of reduced sales volumes.

(2) CASH FLOW

The Commission has found that the current ratio, which expresses the Applicant's ability to meet short-term financial requirements, continues to show improvements in 2003, improving marginally from 83 per cent at the end of 2002 to almost 1:1 at 93 per cent at the end of September 2003. Although this is not significant, one of the main reasons for the improved current ratio is the holding of local trade receivables for the first time since 2003. The Commission is of the view that because the Applicant did not suffer any loss in profits or the need for forced short term spending while improving its current ratio, the Applicant has not suffered any negative effect on its cash flow or access to short term funds.

(3) ABILITY TO RAISE CAPITAL

Share prices reflect the market's valuation of a company, as well as investors' confidence in the ability of an organisation to maintain a certain level of stability and profitability. Share prices for the Applicant have fallen from a high of J\$2.70 in January 2001 to \$2.50 as at July 2003, this

compares with J\$3.00 in January 2003. While share prices on the listed market can be used to show how investors view the strength of the company it is not a sufficient tool to determine the company's ability to raise capital.

XII. THREAT OF INJURY

In accordance with Section 2(2) of the Regulation to the Act, a determination of whether increased imports have threatened to cause serious injury to a domestic industry shall be based on evidence that indicates that serious injury is clearly imminent. The factors on which a determination of threat of serious injury is to be based are listed in section 2(2) of the Regulations. These factors are objective criteria, the meeting of which demonstrates the presence of a threat of serious injury to the domestic industry as a result of an increase in imports is present. While all pertinent factors including those identified above must be considered, all factors need not be present for the making of a determination of threat of serious injury.

The factors examined cover issues relating not only to the ability to supply the Jamaican market, but the factors that underlie the demand by importers for imported cement, to assess the likelihood of increased imports, since both have to be present. In addition economic indicators of the present state of the domestic industry are examined to see if their situation could potentially worsen. In analysing a threat of serious injury to a domestic industry the WTO appellate body has indicated that, “[D]ata relating to the most recent past will provide competent authorities with an essential, and, usually, the most reliable, basis for a determination of threat of serious injury. The likely state of the domestic industry in the very near future can best be gauged from data from the most recent past.”⁶.

(A) RATE OF INCREASE OF IMPORTS

Owing to issues regarding the timing and availability of accurate data, the commission has relied on information on cement imports for the third party importers, based on customs documents and various submissions from the parties⁷, verified against each other. The same was done for CCCL imports.

⁶ AB Report US-Lamb, para. 137.

⁷ See section on increased imports for more detail.

The data shows that in the most recent period, January to September 2003 imports have increased significantly in absolute terms when compared with the same period in 2002 (111 per cent increase with the additional 18700 MT to ARC and 90.60 per cent without). Care has to be taken when drafting the SOR that this difference in reported percentage changes is identified or a decision has to be made on whether to use the figures with the additional 18,700 MT or without. The decision was taken not to use the additional amount since neither Customs nor Fiscal Services was able to verify the amounts at the time of the Preliminary Determination. Although the Applicant has tended to report accurate import volumes, reliance was not placed on the data provided by them.

Additionally, average annual imports over the period 1999 to 2002 were approximately 77,262 MT and third party imports for the first nine months of 2003 were at least over two times this amount.

Total imports moved from being approximately 21 per cent of Applicant's sales⁸ and production in 2002 to being approximately 41 per cent in the same period of 2003 and 45 per cent when the additional 18,700 MT is taken into consideration.

When examined without the inclusion of Applicant's imports (third party imports), imports have moved from being approximately 18 per cent of the Applicant's sales and production for the period January to September 2002 to being approximately 41 per cent of sales and production, in the same period of 2003, (45 per cent with the additional 18700 MT). This represents the largest year on year increase over the entire period of investigation.

(B) ACTUAL AND POTENTIAL EXPORT CAPACITY

To examine the actual and potential export capacity, the Commission looked specifically at Egypt, Indonesia, Russia, Argentina, Thailand, and China, the countries of origin of third party imports since 1999. The Commission examined data relating to their actual export performance, changes in inventory as well as changes in the level of domestic demand and the excess of production over domestic demand.

⁸ CCCL sales refers to CCCL total sales less import sales.

The existence and extent of this capacity is used to show the ability to increase the supply of exports to Jamaica to meet whatever demand arises. In the case of dumping, the WTO jurisprudence indicates that it is not sufficient to show that this capacity exists but that it is likely that it will be exported to Jamaica. The Commission has elected to rely on this threshold. This therefore is only one element of the significance of capacity on the analysis. Further, in the analysis the Commission examines the factors that influence the demand of importers for imported cement, but also the motivation of exporters to sell to these importers.

(1) CHINA

Imports from China first entered Jamaica in 2000 and have been increasing ever since. Since 1985 China has been the world's leading producer of cement, and today produces over one third⁹ of total global output¹⁰.

China is the second leading exporter of cement in the world, accounting for about 17 per cent of total world cement trade¹¹. China's exports of cement have been growing steadily since 1999. With the move to modernize the Chinese Cement industry¹² even in the face of projected increased domestic demand there will be significant excess to channel into overseas markets. It is projected that with the changes coming on stream cement output will increase by 3.4 per cent annually during the 2001 to 2005 five year plan and 2.9 per cent annually during the 2006 to 2010 five year plan¹³. In fact, the data shows specific plans of certain Chinese exporters to continue penetrating the Jamaican market between 2004 and 2006.

Owing to over capacity in the Chinese cement industry and increased competition, cement prices are extremely low. The Commission is satisfied that developments in the Chinese markets and industry, including the significant excess capacity and low prices as well as its selling arrangements make it an attractive source for those wishing to source cement from overseas.

⁹ This figure is projected to increase to about 40 per cent by 2010.

¹⁰ Toward a Sustainable Cement Industry, Trends Challenges, and Opportunities in China's Cement Industry (March 2002) an independent study Commissioned by the World Business Council for Sustainable Development, p. v.

¹¹ China's largest customer is the United States (42 % of all exports). The other major markets for Chinese cement are Taiwan (37.64 % of all exports), and Hong Kong (1.38 % of all exports).

¹² CCCL September 1, 2003 Submission, Volume I of I, Appendix D. and Toward a Sustainable Cement Industry, Trends Challenges, and Opportunities in China's Cement Industry (March 2002) an independent study Commissioned by the World Business Council for Sustainable Development.

¹³ Toward a Sustainable Cement Industry, Trends Challenges, and Opportunities in China's Cement Industry (March 2002) an independent study Commissioned by the World Business Council for Sustainable Development, p.9.

(2) INDONESIA

Currently imports of cement into Jamaica from this source are not a significant threat against the domestic industry, at least until the expiry of antidumping measures that have been put in place. There is, however, a high level of pressure to export and since the financial crisis in 1997 Indonesian firms have been aggressively pursuing export-oriented strategies. Also, Indonesia remains a net exporter of cement and has not imported cement significantly since 1998. In addition, domestic production has continued to outpace domestic demand. The changes in inventory coupled with the absence of imports indicate that Indonesia has reserves available to draw down when global demand dictates.

(3) RUSSIA

Russian cement exports have not shown any significant growth since 2000. Part of the reason for this is the imposition by the Ukraine of a special duty. Russian companies exported most cement to Kazakhstan, Azerbaijan, Ukraine, and Belarus. Cement exports were less than 0.2 per cent of total production against previous years and had little impact on the Russian market. However, Russia has production levels in excess of domestic demand. While Russia is not at the moment experiencing significant export growth, it is noteworthy that it is giving the world's largest producer China, fierce competition in the US market. Russia has not significantly increased its capacity in recent years and there is significant under utilisation. Russia however, has the potential to be a significant exporter.

(4) THAILAND

As of 1997 Thailand has become a net exporter of cement, as domestic demand fell off due to the financial crisis. Currently, Jamaica has dumping measures in place against cement from Thailand. The Commission is of the view that imports of cement from Thailand do not pose a significant threat to the Jamaican industry at this time as long as antidumping measures are in place.

(5) EGYPT

Egypt has experienced significant increases in its capacity in recent times. This, coupled with a relatively flat domestic market, points to a significant incentive to export. In fact, with steady increases in its production, Egypt has moved from being a net importer of cement to a net

exporter as of 2002 and is likely to be an ongoing source of imported cement, in the absence of measures.

(6) ARGENTINA

Argentina produces around 7.2 million tonnes¹⁴, with a clinker production capacity of about 11 million tonnes. Cement production comes from Cementos Avellaneda, Grupo Minetti, Loma Negra C.I.A. S.A., and Petroquímica Comodoro. Loma Negra was the leading producer with about 60% of the country's clinker capacity. This is the producer that is currently supplying the Jamaican Market. The company held a 50% share of Argentina's domestic market (International Cement Review, 2001, p. 52-54). In May 2000, Loma Negra completed the construction of a new distribution center in Vicente Casares near Buenos Aires at a cost of \$36 million (International Cement Review, 2001, p. 52-54). The silo has a capacity of 18,000 tonnes, and the mixer can produce 250 metric tons per hour of cement. The mixer can produce different types of cement and can change from one to another in 30 minutes, thereby exemplifying the plant's product shifting ability. In addition, the Commission is aware of pending orders for additional shipments of cement from this source.

SUMMARY

These countries have significant capacity and are net exporters of the product and can meet demand from anywhere in the world, especially from a market the size of Jamaica.

C. BUILD UP OF INVENTORIES IN JAMAICA AND IN THE COUNTRIES OF EXPORT

The availability of inventories of the goods under consideration indicates an ability to erode to some degree the domestic industry's market share. This is likely because of the importers' presence in the market. Generally, when a shipment of cement has been imported the market does not absorb all the goods in the same day or month.

¹⁴ 2000 estimates.

The inventory levels of the exporting countries are evaluated using both actual data on inventory as well as unused finished cement production capacity (UFCPC). The Commission finds that inventory levels in the countries of export are significant based on actual inventory levels and the unused finished cement capacity.

D. EVIDENCE OF THE POSSIBILITY OF A FURTHER INCREASE IN IMPORTS

The Applicant has submitted evidence indicating that there is a strong possibility of a further increase of cement from these sources based on low prices, the possibility of product shifting to additional production facilities in a relatively short period of time in some countries such as Argentina, existing excess capacity, and the expected significant increase in global cement capacity that will prompt major producers to expand into markets around the world.

E. TRADE RESTRICTIVE MEASURES OF OTHER COUNTRIES

The relevance of considering trade restrictive measures in other countries is to determine the extent to which trade diversion might become a source of a likely increase in imports into the Jamaican market. The Commission has not found there to be any definitive Safeguard Measures imposed on imports from Thailand, Indonesia, Russia, China, Egypt or Argentina. Currently, only Russia seems to have had antidumping measures imposed on its cement imports into Lithuania.

F. THE POTENTIAL IMPACT OF INCREASED IMPORTS OF THE INVESTIGATED PRODUCT ON THE DOMESTIC INDUSTRY

With respect to the potential impact of increased imports of OPC cement on the domestic industry, the Applicant has provided information that supports the view that the imports have had an impact on their sales for the first seven months of 2003 compared to 2002. This impact is unprecedented when the Applicant's sales for the first seven months of 2003 are compared to similar seven-month periods between 1999 and 2003. The Applicant's market share has also been affected because, notwithstanding Applicant's marginal increase of sales from its domestic production, this marginal growth in sales was below the growth in the market. The Commission

is of the view that this trend is likely to continue given the increased volumes of cement on the Jamaican market. Ultimately this will have an impact on the Applicant's revenue, profitability, and other financial indicators

G. OTHER FACTORS

BUSINESS AMBITIONS OF CEMENT IMPORTERS

Another factor to consider is the strong incentive for third party importers to continue importing cement and at competitive prices to establish a customer base. In addition Mainland indicates its intention to set up production facilities in Jamaica, and until these operations come on stream, have indicated the intention to continue importing to meet the needs of their customers.

CHANGE IN MARKET DYNAMICS

There is an increase in the number of suppliers in the market, and with the availability of substitutes the demand for Applicant's products is more elastic. With marginal price differences, each supplier can significantly affect its competitor to the extent of its own supply. Also, growth in the market has been fueled by increased activity in the construction sector, both in terms of residential construction and specific projects. This is, however, against a background of sluggish growth in the economy so that in the absence of these underlying influences, the impact of price competition on market share could be greater.

The Commission has pointed to, in previous determinations, the issue of threat of injury, the likelihood of increased imports, especially with importers' ability to switch sources of supply. The Commission has drawn attention to the vulnerability of the domestic industry to the threat of injury resulting from the ability of importers to switch sources of supply.

Therefore, the Commission is of the view that the situation of the domestic industry could potentially worsen because of the impact of increased volumes of cement on the market. In addition, in a context where growth in the market itself has not been the result of a more buoyant

economy, the supply pressures in the Jamaican market and globally, might exert pressures on prices thereby having an impact on the Applicant's viability.

In considering a threat of injury it is not sufficient simply to show that the current level of imports will continue, but that there is the strong possibility that they will increase in the near future. In addition, the pattern of importation over the period of investigation must support the view of the strong possibility that imports will increase in the near future, together with the ability of importers to shift from one source of supply to the next, as well as, various incentives to continue importing. In the context where the Jamaican economy itself is not growing significantly, increased volumes of imported cement and their impact presently provide the strongest evidence of threat of serious injury to the domestic industry.

XIII. CAUSATION

Both the Act and the WTO agreement require that there be a demonstration of a causal link between any serious injury or threat of serious injury and increased imports. First, there must be the demonstration of the existence of a causal link between increased imports of the goods under consideration and the injury or threat, and second, injury caused by factors other than increased imports must not be attributed to the increased imports.

A. THE EXISTENCE OF A CAUSAL LINK

To establish causation it is not necessary to show that increased imports are the sole cause of injury or threat. The Commission therefore sought to identify if any correlation exists between absolute and relative changes in imports (on the basis of third party imports) and the injury factors examined.

The data clearly shows that movements in imports, relative or absolute can explain some of the variation in the injury factors examined, and therefore are a cause of serious injury or threat of serious injury. The Commission noted that while the level of correlation with the other factors examined point to other potential influences, changes in market share are mostly the result of the changes in imports and this relationship holds true whether the increase is relative or absolute.

The rationale for using the injury factors specified is that changes in volume is a significant factor which along with price effects have an impact on the domestic industry and may materialize in the financial indicators as well. The link between the price of the increased imports and adverse price effects is also clear from the evidence as it relates to price undercutting.

The evidence shows there is a significant negative relationship between the decline in market share and the change in relative import volumes. That is, there is a significant amount of variation in market share that is explained by changes in relative import volumes. Notably the other variables examined exhibit a less significant and positive correlation with the relative increase in imports. The fact that the correlation between these other variables and imports is significantly lower indicated that there may not be as direct a relationship between them. This is not surprising given that more than one factor at any one- time influences the variables examined. Inventory levels indicate a positive and marginally significant relationship with the relative increase in imports. The trend in correlation with the absolute change in imports is similar to that exhibited against a relative increase in imports.

The Commission's analysis of the volume effects, namely changes in, production, sales from local production, clinker inventory, and market share can be directly linked to the presence of increased imports in the market. Price effects also can be directly linked to the presence of increased imports in the market, as well as with the increase in the number of suppliers undercutting the domestic industry through sales of increased imports¹⁵.

While the negative volume and price effects observed are not obvious in their impact on the domestic industry's economic indicators such as profitability, cash flow, and ability to raise capital, and therefore a negative relationship with the increased imports is not readily apparent, this seeming lack of a relationship is due largely to strategies adopted by the domestic industry, such as price increases and the offering of favourable terms to maintain its customer base, as well as improvements in production, in order to mitigate the effects. Therefore, the majority of indicators of injury and threat examined can be linked to the presence of increased imports.

¹⁵ It is of note that the applicant has been forced to offer an increased level of discounts and rebates to maintain its customer base.

B. NON-ATTRIBUTION

The Commission examined the other factors that over the period of investigation had or may have had a negative effect on Applicant's performance. The WTO Appellate Body has indicated as follows:

“ In a situation where several factors are causing injury “at the same time,” a final determination about the injurious effects caused by increased imports can only be made if the injurious effects caused by different causal factors are distinguished and separated.

Otherwise, any conclusion based exclusively on an assessment of only one of the causal factors - increased imports - rests on an uncertain foundation.”¹⁶

Where possible, the Commission separated and distinguished factors other than the dumped imports that could be exerting an influence on the domestic industry, so as to assess their bearing, influence, or effect on the domestic industry as distinct from the impact of increased imports.

1. **Macroeconomic Influences.** Factors such as changes in the exchange rate, increases in fuel prices and adverse weather conditions have historically had an impact on the domestic industry, primarily through its cost of production and lower demand. The Commission was persuaded however, that some of these influences also have an impact on importers in the same way. While they exerted a negative impact on the domestic industry, the industry undertook corrective measures. These mitigating measures minimized the negative impact of exchange rate depreciation, for example.
 2. **Discretionary Policy Changes.** There were no discretionary policy changes or changes in tariff or other tax rates identified to or by the Commission that would have had a negative impact on the cement industry.
 3. **Developments in Technology.** The Applicant does not identify, nor were any technological changes identified by the Commission that were a factor in its difficulties.
- Contraction in Demand/Changes in Pattern of Consumption.** Total cement consumption has been increasing, hindered in some periods by weather conditions

¹⁶ ABR US Lamb.

throughout the period of investigation. Therefore demand is not currently a factor, which has a negative impact on the domestic industry.

4. **Production Difficulties.** The Commission found no reason to discredit the assertion of the Applicant that its past operational problems which had an impact on production in the 1999 to 2000 period, such as equipment failures and the need for upgrades, did not continue to have an impact on its operations beyond that time, as it instituted changes that reduced its unit cost of production and allowed it to expand production. In the latter part of the period of investigation, the Commission finds that production difficulties have not been a factor that had a negative impact on the domestic industry.
5. **Difficulty in Obtaining Raw Material.** There is no information at this time to suggest that difficulty in obtaining raw material is a factor that has had a negative impact on the domestic industry's production.

On the basis of the information provided in the application together with other information of which the Commission is aware, the Commission is of the view that there is a causal link between the increase in imports and the injury factors examined. Some relationships exhibit a correlation that would indicate damage to the domestic industry (that is, as imports increase inventories increase, as imports increase market share declines). The Commission found that for those other relationships that currently do not exhibit a negative relationship there are strong indications they may threaten to do so.

XIV. THE PUBLIC INTEREST

Under the Safeguard Act, 2001, for a safeguard measure to be applied, there must be a consideration of and finding that the measure is in the public interest. Unlike in cases of dumping and subsidies, safeguard measures can be applied even where there is no unfair trade practice. Public interest considerations may be examined in the light of consumer interest and national interest. Consumer Interest looks at economic and social effects on the consumer as a result of a safeguard measure. Consumers include both final and intermediate consumers. The analysis of the national interest covers in its ambit the general social welfare of the country, taking into account the larger community interest.

XV. UNFORSEEN DEVELOPMENTS

The Commission notes that the WTO Appellate Body has indicated that a pre-condition for the application of a safeguard measure under the WTO Agreement on Safeguards is that the measure be consistent with Article XIX: 1(a) of the General Agreement on Tariffs and Trade (GATT) 1994 which provides:

“ If as a result of unforeseen developments and of the effect of the obligations incurred by a contracting party under this Agreement, including tariff concessions, any product is being imported into the territory of that contracting party in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers in that territory of like or directly competitive products, the contracting party shall be free, in respect of such product, and to the extent and for such time as may be necessary to prevent or remedy such injury, to suspend the obligation in whole or in part or to withdraw or modify the concession”

The Act does not require that the Commission make any finding with respect to the question of unforeseen developments in order to apply a provisional safeguard measure. The Applicant, however, has identified the following factors as unforeseen developments resulting in increased imports that have caused or threatened to cause serious injury to it: an extensive global overcapacity and overproduction in cement, the Asian economic crisis, the Latin American Financial crisis, and the collapse of the former Soviet Union and of certain economies of Europe. The Commission is of the view that this is an adequate identification of such unforeseen developments, for the application of provisional measures, without making, at this time, any finding as to the character or significance of such developments.

XVI. THE LEVEL OF THE MEASURE

Provisional safeguard measures are in the form of a tariff and can only be applied for a period not exceeding 200 days. The Commission has made an affirmative determination for a provisional safeguard measure, pursuant to Section 17 of the Act, in respect of an increase in imports of Ordinary Portland Grey Cement into Jamaica. The level of a safeguard measure should be applied only to the

extent necessary to remedy or prevent serious injury and to facilitate the adjustment of the domestic industry to achieve international competitiveness. In considering the appropriate provisional measure, the Commission determined a rate of duty that brought the importers' costs in line with the applicant's ex-factory price. The costs used in this computation were related to the highest F.O.B price on record for imported cement. The Commission was mindful of the need to recommend a safeguard measure that would preserve competition and would not translate into higher prices to the consumer. In the public interest, the effect of this measure is to lower the substantial margins which accrue to the importers, but do not necessarily benefit the consumer.

DECISION

The Commission finds that the investigated product has been imported into Jamaica in such increased volumes as to cause injury and threat of serious injury to the domestic industry, and thus constitute a threat to the viability of the domestic industry.

Pursuant to Sections 17 and 20 of the Act, the Commission recommends to the Minister of Commerce Science and Technology that a provisional safeguard measure be imposed in the amount of 25.83 per cent on all goods that are of the same description as those to which this Affirmative Preliminary Determination applies. Safeguard measures are applied in addition to the existing duty regime, in the instant case, 15 per cent. The measure will take effect from December 16, 2003, and will terminate in two hundred days or on the date that the Commission accepts an undertaking, suspends or terminates the investigation, or makes a Final Determination.

At the Commission's request Jamaica Customs will collect a provisional safeguard duty of 25.83 per cent in addition to the existing duty of 15 per cent on all goods imported into Jamaica that are of the same description as those to which this Affirmative Preliminary Determination applies, and which are released after December 16, 2003, regardless of the origin or the importer of said goods.

Importers shall pay provisional duties on all goods released between the effective dates of the provisional safeguard measure. Payments may take the form of the deposit of a bond with the Commissioner of Customs in a manner approved by the said Commissioner or partly by a bond and partly by deposit of such sum as may be specified by the Commissioner of Customs.

COMMISSIONERS SITTING:

Mrs. Beverly Morgan
Chairman

Ms. Sandra Shirley
Commissioner

Dr. Cecil Goodridge
Commissioner

Mr. Lloyd Goodleigh
Commissioner

Mr. Milton Samuda
Commissioner

Date: _____

INFORMATION

Interested parties are invited to file written submissions presenting facts, arguments and evidence that they feel are relevant to the alleged increase in imports, serious injury or threat of serious injury. Interested parties should identify themselves as such as soon as possible so that the Commission may forward to them the relevant guidelines for the filing of written submissions. Written submissions should be forwarded to the attention of the officer identified below. To be given consideration in this phase of the investigation, all information should be received by the Commission by January 30, 2004.

Any information submitted to the Commission by interested parties concerning this investigation is deemed to be public information unless clearly marked confidential. Where the submission by an interested party is confidential, a non-confidential version of the submission (which summarises the information in the confidential submission) must be provided at the same time. This non-confidential version will be made available to other parties and the public upon request.

This Statement of Reasons along with the Notice of Preliminary Determination of this investigation has been provided to interested parties of these proceedings. For further information, please contact the Commission as follows:

Mail: Anti-Dumping and Subsidies Commission
24 Trafalgar Road, Kingston 10 or
P.O. Box 494, Kingston 5.

Attention: Sara-Ruth Allen, General Manager

Telephone: (876) 920 7006 or (876) 968 7970
Email: antidump@cwjamaica.com