



## **ANTI-DUMPING AND SUBSIDIES COMMISSION**

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KINGSTON, JAMAICA

December 7, 2000

REF. NO. AD-01-2000

*IN THE MATTER OF a complaint, under Sections 22 and 23 of the Customs Duties (Dumping and Subsidies) Act 1999, made by the Caribbean Cement Company Limited, to the Anti-Dumping and Subsidies Commission;*

*AND IN THE MATTER OF a determination to initiate an investigation by the Anti-Dumping and Subsidies Commission under Section 22 of the Customs Duties (Dumping and Subsidies) Act 1999;*

*RESPECTING the dumping in Jamaica of Ordinary Portland Grey Cement, Harmonized Tariff System Classification Code Number 2523.29, originating in or exported from Thailand.*

Commissioners: Ms. Deika Morrison, Chairman  
Dr. Cecil Goodridge, Commissioner  
Ms. Beverley Morgan, "  
Ms. Sandra Shirley, "  
Dr. David Wildish, "

## **STATEMENT OF REASONS**

### **BACKGROUND**

On December 7, 2000 pursuant to Section 22 of the *Customs Duties (Dumping and Subsidies) Act, 1999* hereinafter called "*the CDDASA*", the Anti-Dumping and Subsidies Commission, hereinafter called "*the Commission*", initiated an investigation respecting the alleged injurious dumping of Ordinary Portland Grey Cement, hereinafter called "*OPC*", originating in or exported from

Thailand and imported into Jamaica for building and construction purposes.

The investigation was initiated following a complaint filed on September 4, 2000 by the Caribbean Cement Company, Limited, hereinafter called "the CCCL", the only producer of cement in Jamaica. As such, the Commission determined that the CCCL represents the domestic industry for purposes of this complaint. On October 19, 2000 the Commission informed the CCCL that its complaint was properly documented and the Government of Thailand was also informed.

On December 8, 2000 pursuant to Section 25 of the CDDASA, the Commission issued a notice advising interested parties that it had initiated an investigation.

The record of this investigation consists of all documents that relate to the Commission's decision to initiate; the Statement of Reasons for the initiation, and the Public and Confidential versions of the complaint.

The OPC imports from Thailand first entered Jamaica in June, 1999 and the volume has increased in absolute terms subsequently. This data was obtained from the complainant and verified by the Commission through data obtained from Jamaica Customs Department. The data shows that the CCCL's market share will be eroded if the volume of imports are maintained or increased.

Interested Parties

Complainant	-	Caribbean Cement Company Limited
Exporter	-	Siam Cement Public Company Limited
Importer	-	Mainland Trading Limited

Margins of Dumping - The dumping margin (DM) may be expressed as the amount by which the normal value (NV) of the goods exceeds the export price (EP), or if expressed as a percentage  $DM = (NV - EP) \div EP$ . The CCCL provided estimated margins of dumping by calculating estimated Normal Values and Export Prices for the allegedly dumped OPC. The estimated margins of dumping ranged from 204% - 337%, expressed as a percentage of the

export price. The Commission adjusted the prices to arrive at the ex-factory level, and estimated the margins of dumping in a range from 42% - 134%.

Injury - The CCCL submitted that the dumping of the subject goods is directly responsible for suppressed prices, lost sales, a reduction in the utilization of its capacity, and reduction in profitability. The CCCL provided documentary evidence in support of its allegations of injury on its sale of like goods in the Jamaican market, price suppression, lost sales, production capacity, capacity utilization and certain background data, such as product descriptions.

The CCCL submits that the Jamaican market will increase marginally from a total domestic demand of 612,000 Metric Tons in 1999 to a projected 651,000 Metric Tons in the year 2000.

The CCCL provided the selling prices for goods sold and documented instances of price suppression for the period of June 1999-August 2000. The CCCL submits that price suppression led to price erosion in 1999, and negatively impacted capacity utilization and profitability in 1999 and 2000.

Based on the evidence contained in the submission before the Commission, the Commission is of the view that there is a reasonable indication that the domestic industry is likely to suffer injury if the trend in imports is continued.

Causality - With regard to the issue of causality, the CCCL alleges that it has experienced injury which began when imports of OPC entered the Jamaican market in increasing volume and at prices less than fair value. The information submitted by the CCCL argues a direct correlation between the price erosion and lost sales experienced.

In the Commission's view, based on an analysis of the information before it, the Commission is satisfied that, for the purposes of Section 22, of the CDDASA, the evidence discloses a reasonable indication that the subject goods have been dumped and are likely to cause material injury to the domestic industry.

The Case Calendar for this investigation is as follows:

Submission by Interested Parties -	January 14, 2001
Preliminary Determination -	March 7, 2001
Final Determination -	June 4, 2001
Order Date -	June 11, 2001

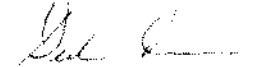
**FUTURE ACTION**


If the investigation reveals that imports of the subject goods have not been dumped, that the amount of dumping is insignificant, or that the actual potential volume of the dumped goods is negligible, the investigation will be terminated. It will also be terminated if the evidence does not disclose a reasonable indication that the dumping of the goods has caused injury or is threatening to cause injury.


However, if the evidence discloses that the goods have been dumped and the dumping has caused injury or is threatening to cause injury, the Commission will make a preliminary determination of dumping within 90 days from the date of the initiation of the investigation. Where circumstances warrant, this period may be extended to an additional 45 days.

**UNDERTAKINGS**

After a preliminary determination of dumping, the exporters may submit written undertakings to revise their selling prices to Jamaica so that the margin of dumping or the injury caused by the dumping is eliminated. Acceptable undertakings must account for all or substantially all of the exports of dumped goods to Jamaica.

  
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**CHAIRMAN**

  
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**COMMISSIONER**

  
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**COMMISSIONER**

