

LEGAL NOTICE NO. 310

REPUBLIC OF TRINIDAD AND TOBAGO

THE ANTI-DUMPING AND COUNTERVAILING DUTIES ACT, 1992

AND

THE ANTI-DUMPING AND COUNTERVAILING DUTIES REGULATIONS, 1996

*Issued in accordance with section 29A of the Anti-dumping and
Countervailing Duties Act*

NOTICE

DETERMINATION OF AN EXPIRY REVIEW OF THE
ANTI-DUMPING DUTY IMPOSED ON PORTLAND GREY
CEMENT ORIGINATING IN THAILAND

NOTICE is hereby given that, in accordance with the Anti-dumping and Countervailing Duties Act, 1992 (“the Act”), the Minister of Trade and Industry has, for the reasons given hereunder, made a determination in respect of an investigation of the expiry of the anti-dumping duty imposed on Portland Grey Cement originating in Thailand.

A. MEASURE IN FORCE

The measure currently in force on imports into the Republic of Trinidad and Tobago of Portland Grey Cement originating in Thailand, is a definitive anti-dumping duty imposed by the Minister of Trade and Industry on February 25, 2000 by Legal Notice No. 55, published on March 2, 2000.

B. CURRENT INVESTIGATION

Request for Review

Following the publication of a notice of the impending expiry of the anti-dumping measure in force for Portland Grey Cement originating in Thailand, the Anti-dumping Authority (the Authority) received on December 13, 2004 and January 25, 2005, a request by the complainant, Trinidad Cement Limited (TCL) of Southern Main Road, Claxton Bay, Trinidad, for an investigation pursuant to section 29A(3) of the Act.

TCL represents 100% of the total local production of Portland Grey Cement and requested an investigation on the ground that the expiry of the measure in force would again lead to actionable injury to the local industry.

Having determined that sufficient evidence existed in accordance with section 29A(3) of the Act, the Authority initiated an investigation (expiry review) on February 23, 2005 by Legal Notice No. 53 dated March 1, 2005.

Investigation

The Authority officially advised the foreign exporters/producers, importers, representatives of the exporting country, the local producer and other interested parties of the initiation of the expiry review. All parties were given the opportunity to make their views known in writing and to request a hearing for the duration of the expiry review.

The Authority sent confidential and non-confidential questionnaires to TCL, the importers, Harricrete Limited and the foreign exporters/producers, SCT Company Limited, Siam Cement Public Co. Ltd., Siam City Cement Public Company Limited, Asia Cement Public Co. Ltd, the Thai Chamber of Commerce and Board of Trade of Thailand.

A completed questionnaire was received from TCL in response to the initiation of the expiry review through its legal counsel. The local importer and foreign exporters/producers did not submit completed questionnaires to the Authority.

Data was obtained from the Central Statistical Office (CSO) and the Customs and Excise Division, Ministry of Finance from 1999 to February 2006 to determine if Portland Grey Cement originating in Thailand was imported into the country. A survey was also conducted throughout Trinidad to monitor the country of origin and the prices of Portland Grey Cement on the local market. Information on the foreign exporters/producers was obtained through consultant reports and the websites of the foreign companies.

Product concerned

The product concerned in the expiry review is the same as that in the investigation that led to the imposition of the measure in force on imports of Portland Grey Cement originating in Thailand (“original investigation”), i.e. Portland Grey Cement classified within the following HS Code and descriptions:

<i>HS Code</i>	<i>Description</i>
2523.291	Portland Grey Cement or Building Cement (grey)

Like Product

As established in the original investigation, this review confirmed that the product concerned and the products manufactured and sold by the foreign exporters/producers as well as those manufactured and sold by the local producer on the local market, have the same basic physical characteristics and end uses and are therefore considered to be like products within the meaning of the Act.

Investigation period

In accordance with section 29A(3) of the Act, the Authority examined whether or not the expiry of the measure in force would again lead to actionable injury.

The expiry review covered the period from March 1, 2005 to July 18, 2006 (the investigation period). The examination of trends relevant for the assessment of the likelihood of the recurrence of actionable injury covered the period from March 2000 to February 2010.

In assessing the likelihood of the recurrence of actionable injury, the Authority considered—

- (a) the likelihood of a continuation or recurrence of dumping of the product concerned in Trinidad and Tobago if the measure in force were to expire; and
- (b) if dumping were to continue or recur, whether this would lead to a recurrence of actionable injury to the local industry.

**C. LIKELIHOOD OF A CONTINUATION OR RECURRENCE
OF DUMPING**

The Authority considered the following factors in determining whether the expiry of the measure in force on Portland Grey Cement from Thailand would likely result in the continuation or recurrence of dumping:

**(i) Whether there has been dumping of the goods
while the duty was in effect.**

The Authority's findings revealed that there were no imports of Portland Grey Cement from Thailand during the period January, 2000 to February, 2006. Therefore, the Authority found no dumping of the said product while the duty was in effect.

TABLE 1
IMPORTS OF PORTLAND GREY CEMENT
TO TRINIDAD AND TOBAGO, 1999—FEBRUARY, 2006

Year	Country	Quantity Kg.	Total Quantity
1999	Thailand	27,739,999	27,740,067
	USA	68	
2000	Indonesia	22,816,952	22,818,640
	USA	1,688	
2001	USA	745	1,546
	Germany	801	
2002	No Imports		
2003	Belgium	839	32,480
	Trinidad and Tobago ...	31,641	
2004	Switzerland	4	519
	USA	515	
2005	Barbados	1,087,932	1,088,967
	China	195	
	USA	840	
January, 2006	Barbados	1,081	1,081
Febraury, 2006	USA	2	2

Source: Central Statistical Office, Trinidad and Tobago, July 3, 2006.

Import data on the importation of the goods into Trinidad and Tobago showed that there was a sharp decline after 2000. During the period 1999 to February 2006, the total import volume from Thailand as recorded by the CSO was 27,739,999 kgs.

A nationwide survey was conducted to ascertain the origin and the retail prices of Portland Grey Cement sold at hardware stores and retail outlets. The exercise confirmed the non-existence of Portland Grey Cement originating from Thailand. Most hardware stores and retail outlets stocked the product from TCL. The average price of cement in 42.5 kg bags was TT\$36.00 VAT Inclusive (Incl.) as at the end of July 2005. On August 1, TCL increased the ex-factory cost of cement to \$36.45 VAT Incl. A survey conducted after the price increase revealed an average retail price of \$42.00 VAT Incl.

(ii) The current and projected performance of the exporters/producers in Thailand.

The Department of Foreign Trade, Ministry of Commerce, Thailand informed the Authority of the following Thai exporters:

- Siam Cement Public Co. Ltd.
1, Siam Cement Road, Bangsue
Bangkok 10800
Thailand
- Siam City Cement Public Co. Ltd.
Phaholyothin Office
200/1, Kampaengphet Road
Jatujak
Bangkok 10900
Thailand
- Asia Cement Public Co. Ltd.
23/115, Soi Soonvijai
Rama 9 Road, Bangkapi
Huaykwand
Bangkok 10320
Thailand

- The Thai Chamber of Commerce and Board of Trade of Thailand
150, Rajbopit Road
Pranakorn
Bangkok 10200
Thailand

Research on the Mineral Industry of Thailand by John C. Wu¹ highlighted Siam Cement Industry Co. Limited as the leading cement company on the domestic market with a 38% market share. A consultant report on the estimates for 2006 to 2010 focused on the following yearly average indicators for the Thai Cement Industry:

- (a) Production—49,000 MT
- (b) Capacity—53,000 MT
- (c) Capacity Utilization—87%
- (d) Exports—13,000 MT.

The Authority wrote to the exporters and the organization identified by the Thai Government as well as SCT Company Limited, which was subject to the original investigation. Questionnaires and notices of the expiry review were transmitted and Siam City Cement Public Co. Ltd. (SCCC) showed an interest in participating in the investigation. SCCC requested a second copy of the questionnaires and an extension in order to facilitate the completion of the questionnaires. The Authority re-submitted questionnaires to SCCC and granted an extension. However, to date no questionnaires were received from SCCC.

The Authority used the information provided by the complainant and the companies' websites in order to determine the companies' performance for the period 2000 to 2006, as well as their projected performance. Information pertaining to the financial performance of Asia Cement Public Company Limited was not found on the Internet.

¹Wu, John, C. "The Mineral Industry of Thailand," Various Years. Available online: <http://minerals.usgs.gov>

Siam Cement Public Company Limited and SCT Company Limited

The Authority recognized that Siam Cement Public Limited and SCT Company Limited carried the same address. SCT Company Limited's philosophy is that "SCT is the total solution for creating excellent trading opportunities for your business in global markets."². The Company Offers a "full-cycle" service in nine categories of products including cement.

The Authority examined the companies' website in an effort to acquire information in respect of production, capacity utilization, sales volumes, prices, market share, exports and profits. The performance of the companies were under the name "Siam Cement Group" and financial statistics were only obtained for 2005 and the first quarter of 2006. Refer to Table 2.

In 2005, sales totalled 11 million tons, comprising domestic sales of 4.3 million tons and export sales of 6.7 million tons. For the first quarter of 2006, export sales totalled 1.8 million tons.

TABLE 2
SIAM CEMENT GROUP
FIANCIAL PERFORMANCE

Item/Period	2005	2006 ¹
Production		
Capacity Utilisation		
Sales Volume (M Tons)	11.0	2.9
Prices FOB (Prices/ton)	31.9	34.1
Market Share		
Export Sales—Volume (Mil Tons) ²	6.7	1.8
Operating Profit	7,920.0	2,093.0

²SCT, "What We Do", SCT Co. LTD Homepage, cited July 05, 2006 Available Online: <http://www.scctrading.com/aboutus/about.asp>

Source: Analyst Conference Q1/06. Siam Cement Group

¹Data relates to 1st Quarter, 2006

²Date includes sales for Bulk Cement, Bagged Cement and Clinker

Siam City Cement Public Company Limited (SCCC)³

SCCC has created a long-term campaign called “I Wish Campaign” in the hopes of seeing the company transformed into being a “World Class” company.

The main corporate strategy of SCCC is to reposition the company and its products to focus its operations on cement only and be the best in the industry. SCCC’s aim is to become a “Cement Solutions Specialist” for cement products and services.

SCCC is Thailand’s second largest cement manufacturer with a market-share of approximately 28%.

In 2004, sales totalled 10.4 million tons, comprising domestic sales of 7.1 million tons and export sales of 3.3 million tons for both clinker and cement. Sales for the first six months of 2005 totalled 6.4 million tons, comprising domestic sales of 4.1 million tons and exports of 2.3 million tons. At the end of 2005, net consolidated sales had increased by 8% over 2004. SCCC annual cement production capacity is 14.5 million tons.

In 2005, SCCC exports increased by 50% from 2004. Vietnam is its biggest export market receiving approximately 50% of export sales.

The Company anticipates a 5% cement consumption growth in 2006. Total volume for 2006 is expected to be approximately 30 million tons and export volume approximately 4 million tons. Refer to Table 3.

TABLE 3
SIAM CITY CEMENT PUBLIC CO. LTD.
FINANCIAL PERFORMANCE

Item/Period	2000	2001	2002	2003	2004	2005	2006 ¹
Production (M Tons)	9.0	10.0	10.0	9.5	14.5	14.5	14.5
Capacity Utilisation (%)			81.3	68.0	76.0	100.0	100.0
Sales Volume (M Tons)			6.2	6.4	10.4	6.4 ²	9.6
Prices FOB (Prices/Ton)							
Market Share (%)				27.0	28.0		
Export Sales—							
Volume (Mil Tons) ³	4.3	4.9	4.5	2.9	3.3	2.3 ⁴	4.0
Operating Profit (Mill.)					127.0	126.0	

³Siam City Cement Public Co. Limited Homepage. Available online:
<http://www.siamcitycement.com>

Source: Siam City Cement Website: www.siamcitycement.com;
Consultant report on the Thailand Industry; The Mineral Industry of
Thailand—various years.

¹Estimates for 2006;

²Data for Jan – Jun, 2005

³Data includes Sales for Bulk Cement, bagged Cement and Clinker

⁴Data for Jan – June, 2005

(iii) Evidence of the imposition of anti-dumping or countervailing measures by the Authorities of other countries on Portland Grey Cement from Thailand.

JAMAICA

Following the imposition of the measure in force, the Jamaican Anti-dumping and Subsidies Commission initiated an anti-dumping investigation on June 11, 2001 on Portland Grey Cement from Thailand. The investigation concluded that Portland Grey Cement originating “in or exported directly from the Kingdom of Thailand to Jamaica was not dumped”⁴. Notwithstanding this, the Commission found that the goods originating in Thailand and “exported to Jamaica from Trinidad has been dumped and the dumping margin was calculated at 87.91%.”⁵ It was further revealed that while the dumped imports were not causing injury, the threat of material injury to the domestic industry was “clearly foreseen and imminent.”⁶ As a result, a duty in the amount of 87.91% was imposed on ordinary Portland Grey Cement originating from Thailand from June 11, 2001 to June 11, 2006.

In 2003, the Anti-Dumping and Subsidies Commission pursued a Safeguard Investigation in which Thailand was involved. The preliminary determination named Siam Cement Public Company Limited as one of the parties to the investigation and stated that since 1997 Thailand has been exporting cement to Jamaica. The investigation showed that there is not a significant threat of imports from Thailand as long as anti-dumping measures are in place.

Other countries involved in the Safeguard Investigation included China, Indonesia, Russia, Egypt and Argentina. The Commission concluded that increases in imported cement volumes caused injury and threatened to cause serious injury to the domestic industry.

In 2004, a formal Safeguard duty of 25.83% was imposed on cement. On March 24, 2006 the Ministry of Commerce, Science and Technology of Jamaica indicated that the government agreed to waive the 25.83% duty on imported cement. Therefore, importers are able to import cement at the Common External Tariff (CET) rate of 15% until August 30, 2006.

⁴Anti-Dumping and Subsidies Commission, Investigation #AD-01-2000, June 11, 2001 Kingston, Jamaica.

⁵Ibid.

⁶Ibid.

NEW ZEALAND

New Zealand conducted an anti-dumping investigation on imports of cement from Thailand in 2003. It was alleged that Siam Cement Trade Co. Limited is a subsidiary and the marketing arm of Siam Cement Public Co. The New Zealand Customs Service confirmed that SCT Co. Ltd imported the product into New Zealand. The New Zealand Ministry of Economic Development concluded, on the basis of the information available, that Type I Portland Cement and Type III Portland Cement from Thailand have been dumped during 2003 and 2004. However, there was insufficient evidence that material injury was being threatened by dumped cement.⁷

AUSTRALIA

In September 2000, Customs found that exports of cement from Thailand, Malaysia and Indonesia were dumped. However, it was recommended that anti-dumping measures not be applied.⁸

(iv) Imposition of measures by the Authority in respect of similar goods while an order or finding in respect of the goods was in effect.

After the imposition of the measure in force, the local importer, Harricrete Limited, imported cement from Indonesia. The Authority initiated an investigation into Portland Grey Cement from Indonesia on August 21, 2001. A final determination was made on January 28, 2003 and definitive anti-dumping duties were imposed in the amount of 48%. The duty is in effect from October 11, 2002 to October 10, 2007.

(v) Market conditions in Trinidad and Tobago

The Trinidad and Tobago Contractors Association indicated by correspondence dated February 28, 2005 that it is in full support of continuing the Anti-dumping duty imposed on Portland Grey Cement originating in Thailand.

⁷Ministry of Economic Development. "Portland Cement from Thailand: Non-Confidential Initiation Report." New Zealand Ministry of Economic Development, June 2003. Available online: <http://www.med.govt.nz>

⁸Australian Customs Service. "Australian Customs Dumping Notice No. 2002/11. Available Online: <http://customs.gov.au/notices/reports/rep20.pdf>

In June 2006 the Minister of Works and Transport of Trinidad and Tobago indicated that the Government intends to remove the CET of 15% on cement in order to meet the current demands for cement given the construction boom currently being experienced in the country.

(vi) Margin of Dumping

The exporters and the local importer did not submit any information to the Authority during the expiry review.

The Authority's findings were made on the basis of the information available in accordance with Regulation 11 of the Anti-dumping and Countervailing Duties Regulations, 1996.

NORMAL VALUE

Normal value prices were obtained from the websites of Siam City Cement Public Co. Ltd. and Siam Cement Group. The average domestic price for cement in Thailand was adjusted downward by 10% to arrive at ex-factory normal value. This adjustment is considered the normal rate in the cement industry in order to account for transportation and packaging costs. An average ex-factory normal value price was established for cement in bulk and 50 kg bags.

EXPORT PRICE

Export prices were obtained from a consultant's report on the cement industry in Thailand and the website of Siam Cement Group. The average export price for cement in Thailand was adjusted downward by 10% to arrive at an average ex-factory export price.

DUMPING MARGIN

A dumping margin of 60% was calculated by comparing the average ex-factory normal value to the average ex-factory export price as a percentage of the average ex-factory export price.

(vii) Conclusion

The Authority concluded that dumping of cement from Thailand in Trinidad and Tobago is likely to recur if the measure in force expires on the basis of the following considerations:

- (a) A dumping margin of 60% for cement from Thailand was determined at 2006 prices; and

- (b) The investigations of and in some cases measures imposed on cement from Thailand by other countries shows a propensity to dump in other markets, including within the CARICOM, on the part of Thai exporters.

D. LIKELIHOOD OF THE RECURRENCE OF ACTIONABLE INJURY

Views of the Domestic Industry—Trinidad Cement Limited (TCL)

TCL contends that revocation of the anti-dumping duty of 152.84% on imported cement from Thailand would have a materially adverse effect on the operations and financial viability of the company. It also claims that removal of the duty would cause actionable injury to the local cement industry through the following:

- (a) a significant rate of increase of dumped imports of Thai cement into the local market compared to local production and consumption;
- (b) a significant depressing and/or suppressing effect on local cement prices and/or a significant undercutting of local cement prices that would likely increase demand for further dumped imports;
- (c) a substantial adverse impact on the local cement industry as evidenced *inter alia* by a decrease in sales, revenue, profitability and market share.

TCL supports these claims by focusing on the findings of the initial investigation as well as analyzing the exporters' current and future performance on the dumping of cement from Thailand on the Trinidad and Tobago market. The analysis highlights the following:

- (a) Thai producers have substantial excess cement production capacity;
- (b) Thai producers continue to export millions of tons of cement each year; and
- (c) Thai producers have a history of dumping.

The Authority has taken note of various arguments raised by the domestic industry in its submissions and the issue of recurrence of actionable injury to TCL has been examined.

Findings of the Authority

The Authority based its findings on the information provided by TCL as well as its own independent investigations of the domestic industry. These findings are based on the following considerations:

(i) Price Effect of the Dumped Imports on the Domestic Industry

The impact on the prices of the domestic industry on account of dumped imports from Thailand was examined with reference to price depression, price undercutting and price suppression.

For the period March, 2000 to February, 2006, there were no imports of the product from Thailand. However, the effects on prices were projected if the definitive duty was removed and dumped imports were allowed to enter the Trinidad and Tobago market.

The ex-factory price from TCL was based on the revised pricing structure as of August 1, 2005.

PRICE DEPRESSION

TCL provided evidence of price depression under the following assumptions:

- (a) That the importer used the same selling price in the sale of the Indonesian cement. In this case, the importer would be able to keep the price down and still maintain a margin of 11.22%.
- (b) That the importer makes the same profit margin as in the case of the Indonesian cement. This comparison showed that the importer would charge more than the local industry. Therefore TCL would have to maintain prices in an effort to remain competitive.
- (c) That the importer sells at the same retail price as TCL. The importers will be able to benefit by a significant margin.
- (d) That the importer sells at the same profit margin as TCL. The importer is able to keep the price lower than TCL.

The Authority's calculations confirmed that the depressant effect on the local price of cement was demonstrated if the product re-entered the local market at a dumped price.

PRICE UNDERCUTTING

Price undercutting has been determined by comparing the landed value of cement from Thailand with the selling price of the domestic industry. Landed value of imports has been calculated by using the CIF import price and adding the CET rate of 15%, Port Authority Throughout Charges and the cost of Off-loading and Trucking to the warehouse. The selling price used was the ex-factory price per bag excluding VAT.

Price undercutting of approximately 28% has been found if cement from Thailand is allowed to enter the domestic market without the imposition of anti-dumping duties.

PRICE SUPPRESSION

The Authority examined whether or not dumping would prevent price increases that would normally occur in the domestic industry. The Authority found that TCL would not be able to respond to the lower selling price of the importers as it is currently selling at a minimum ex-factory price. Further, the industry anticipates an increase in energy costs which will affect the cost of production. Therefore, TCL would not be able to adjust prices once the dumped cement is on the local market.

POTENTIAL ECONOMIC EFFECTS TO TCL

TCL provided data to reflect the depression of prices and loss of sales if a volume of 35,000 MT of cement were to be imported from Thailand at dumped prices.

Losses in sales and market share were evident for the five undermentioned scenarios assuming different freight rates, which included, reduced freight rates, a charter arrangement and current freight rates—

- (a) TCL reduces selling price to match importers' costs;
- (b) TCL reduces selling price to match importers' prices using 2% margin for importers;

- (c) a volume of 35,000 tons is imported and TCL maintains its price and loses 35,000 MT in sales;
- (d) a volume of 35,000 tons is imported 4 times per year and TCL maintains its price and loses 35,000 MT in sales; and
- (e) a volume of 35,000 tons is imported 4 times per year and TCL reduces prices and loses 140,000 MT in sales.

(ii) Factors relating to the state of TCL

PRODUCTION

Capacity utilization increased by approximately 97% for the period March, 2000 to February, 2001. From March, 2001 to February, 2002 capacity utilization fell to 91% but increased to approximately 99% from March, 2002 to February, 2003 and March, 2003 to February, 2004. From March, 2004 to February, 2005 capacity utilization fell to 60%. It is anticipated that capacity utilization will be approximately 77% for the periods March, 2006–February, 2007 to March, 2009–February, 2010.

DOMESTIC SALES TO UNRELATED PARTIES

Quantity: Sales fell from March, 2000–February, 2001 to March, 2001–February, 2002 by 6.31%. From March, 2001–February, 2002 to March, 2002–February, 2003 sales increased by 11.25%. However, sales decreased by approximately 2% over the period March, 2004 to February, 2005.

Value: Sales in terms of value fell by 20.9% from the period March, 2000–February, 2001 to March, 2001–February, 2002. Thereafter, sales increased by 22.31% and approximately 6% in the periods from March, 2002–February, 2003 to March, 2004–February, 2005.

It is projected that sales will continue to rise over the period March, 2005 to February, 2010. However, it is anticipated that if the anti-dumping duty is removed sales will fall by 20% over the said period.

DEMAND AND MARKET SHARE

Total domestic demand of the subject goods increased from March, 2000–February, 2001 to March, 2005–February, 2006. It is predicted that domestic demand would continue to

increase for the period March, 2006–February, 2007 to March, 2009–February, 2010. A projected loss in market share of 20% is anticipated once the dumped cement enters the local market.

PROFIT/SALES RATIO FOR TRINIDAD AND TOBAGO SALES

The profit/sales ratio was analysed for the period March, 2004 to February, 2010. The profit/sales ratio increased from the period March, 2004–February, 2005 to March, 2005–February, 2006. If the anti-dumping duty remains in force it is projected that profit/sales ratio will continue to increase. On the contrary, if the anti dumping duty is removed the profit/sales ratio will fall by 11.15% for March, 2006 to February, 2007 and approximately 20% for each period from March, 2007–February, 2008 to March, 2009–February, 2010.

PROFIT/SALES RATIO FOR TOTAL SALES

Over the period March, 2000 to February, 2003 profit/sales ratio for total sales increased gradually. For the period March, 2003 to February, 2004 profit/sales ratio decreased from the previous period but rose for the periods March, 2004–February, 2005 and March, 2005–February, 2006. The domestic industry has argued that the imposition of the definitive anti-dumping duty has resulted in TCL realizing profits and regaining market share as the dumped product did not enter the market during the period March, 2000 to February, 2006. Once the duty is removed, anticipated losses in profitability and sales by approximately 7% for each period from March, 2007–February, 2008 to March, 2009–February, 2010 are expected.

EVOLUTION OF EMPLOYMENT SITUATION

Full-time employment decreased from March, 2000–February, 2001 to March, 2001–February, 2002. From March, 2001–February, 2002 to March, 2002–February, 2003 full-time staff increased, but decreased for the next period. After March, 2003 full-time staff remained constant. Part-time employment fluctuated between March, 2000 to February, 2005.

It is expected that the additional employment created during the plant and equipment upgrade would be lost if the company cannot sustain its market share and sales due to the recurrence of dumped imports of cement from Thailand.

INVESTMENTS

Investments increased by approximately 31% from March, 2000–February, 2001 to March, 2001–February, 2002. Investments fell in the next period by approximately 52%. Due to a plant and equipment upgrade, investments increased over the period March, 2003–February, 2004 to March, 2004–February, 2005. If the anti-dumping duty is removed the company foresees a decrease in investment of 30% for the period March, 2007 to February, 2008, 65% for the period March, 2008 to February, 2009 and 83% for the period March, 2009 to February, 2010.

INVENTORIES

TCL has been able to deplete end of year stocks at an increasing rate over the period March, 2000 to February, 2005. It is likely that stocks will accumulate at the end of each year from 2007 to 2010 if the anti-dumping duty is removed.

RETURN ON CAPITAL EMPLOYED

Return on capital employed decreased from March 2000–February, 2001 to March, 2001–February, 2002. From March, 2001–February, 2002 to March, 2002–February, 2003 return on capital employed increased but continued to fall over the period March, 2003 to February, 2006. TCL has argued that due to the imposition of the anti-dumping duty, the return on capital employed continues to be favourable. The company foresees a decline in return on capital employed by 8% for each period from March, 2006–February, 2007 to March, 2009–February, 2010 if the duty is removed.

CASH FLOW

If the anti-dumping duty is removed, the company will be faced with negative cash flows over the period March, 2006–February, 2007 to March, 2009–February, 2010.

E. CONCLUSION

After examining the submission made by the applicant and the facts available to the Authority as well as the analysis of the state TCL on the likelihood of continuation or recurrence of dumping and actionable injury, the Authority concluded that—

- (a) the product concerned did not enter the domestic market after the imposition of definitive anti-dumping duties;

- (b) a comparison of normal values and export prices from Thailand at 2006 prices confirm that dumping is evident;
- (c) the dumping margin calculated in order to eliminate dumping is 60%;
- (d) there is a likelihood that dumping of cement from Thailand would recur if the anti-dumping duty is removed;
- (e) the domestic industry did not suffer injury during the period of the imposition of the definitive anti-dumping duty because no goods were imported from Thailand for the period; and
- (f) actionable injury to the domestic industry is likely to recur if the anti-dumping duty is removed on imports of the product concerned from Thailand.

As a result, the Minister of Trade and Industry gives notice that he has made a determination that in respect of Portland Grey Cement originating in Thailand, he may by Order, impose an anti-dumping duty of 60% on Portland Grey Cement originating in Thailand.

Dated this 12th day of December, 2006.

K. VALLEY
Minister of Trade and Industry