

LEGAL NOTICE NO. 71

REPUBLIC OF TRINIDAD AND TOBAGO

THE ANTI-DUMPING AND COUNTERVAILING DUTIES ACT, 1992

AND

THE ANTI-DUMPING AND COUNTERVAILING DUTIES REGULATIONS, 1996

*Made by the Minister in accordance with section 24 of the Anti-dumping and Countervailing Duties Act*

NOTICE

—————

PRELIMINARY DETERMINATION BY THE HONOURABLE  
MINISTER OF TRADE AND INDUSTRY ARISING OUT OF  
THE INVESTIGATION INTO THE ALLEGATION OF  
DUMPING OF PORTLAND GREY CEMENT ORIGINATING  
IN INDONESIA

IN ACCORDANCE with the Anti-dumping and Countervailing Duties Act <sup>Act No. 11 of 1992</sup> (hereinafter referred to as “the Act”) and the Anti-dumping and <sup>L. N. No. 25 of 1996</sup> Countervailing Duties Regulations, 1996 (hereinafter referred to as “the Regulations”) the Minister of Trade and Industry has made a preliminary determination that he has reasonable cause to believe that the goods, Portland grey cement, originating in Indonesia are goods in respect of which he may make an Order imposing duty.

And whereas the Minister is required by section 24(2) to give notice of his preliminary determination.

Notice is hereby given of the preliminary determination.

#### CASE HISTORY

By Legal Notice No. 171 of 2001, the Anti-dumping Authority of the Ministry of Trade and Industry (hereinafter referred to as “the Authority”) announced the initiation of an Anti-dumping investigation concerning imports of Portland grey cement, originating in Indonesia.

#### COMPLAINT

The investigation was initiated as a consequence of a complaint lodged with the Authority, by the local manufacturer of Portland grey cement.

*Preliminary Determination by the Honourable Minister of Trade and Industry arising out of the investigation into the allegation of dumping of Portland grey cement originating in Indonesia*

---

The complaint alleged that imports of Portland grey cement from Indonesia are being dumped on the local market and that there existed a threat of injury, which was considered sufficient to justify the initiation of an investigation.

COMPLAINANT

The complainant is Trinidad Cement Limited, ("TCL") the sole producer of Portland grey cement in Trinidad and Tobago.

PRODUCT

The product allegedly being dumped is Portland grey cement, currently classified within HS. Code 2523.291.

PERIOD

The investigation of dumping and injury covered the period from January 2000 to August 2001.

PROCEDURE

Having determined that the complaint had been lodged on behalf of the local industry of which the complainant accounts for 100% of domestic production, there was sufficient evidence to justify the initiation of an investigation. The Authority officially notified the government of the country of the foreign exporter concerned and circulated the said complaint among the complainant, the importers known to be concerned, the foreign exporter and to the government of the exporting country. All parties directly concerned were given the opportunity to make their views known. The foreign exporter requested an extension on November, 2001 for the completion of the questionnaire and such request was granted for a fifty-seven day period. However, the foreign exporter did not submit a completed questionnaire as at the time of the preparation of this preliminary determination. The Authority therefore decided to proceed expeditiously in making a preliminary determination on the basis of the best information available according to section 14 of the Act.

DUMPING

(i) *Normal Value*

The ex-factory normal value was calculated based on price information obtained from reputable international publications, namely, Goldman Sachs Global Equity Research, the Intercem Asia reports and the findings of an economic consultancy report submitted by the complainant as part of the confidential complaint.

(ii) *Export Price*

The Caricom invoice showed a particular export CIF price that was challenged by the complainant in its complaint as being incorrect. The complainant alleged that the freight price cited in the invoice was understated and offered the economic consultant's findings on the freight price to support that contention. The complainant's objection was communicated to all other parties concerned in its complaint. No response on this matter was received from the exporter who would have been a party to the freight contract and would have been in the best position to comment on freight prices. The Authority, however, did receive from the importer a response unsupported by evidence. Having received no valid information from the exporter and importer on this point, the Authority accepted the complainant's argument on freight charges and calculated ex-factory export price based on the information obtained from the complainant.

(iii) *Dumping Margin*

It was necessary to determine a weighted average dumping margin based on the individual dumping margins relative to bag and bulk cement. When the ex-factory export price was compared with an ex-factory normal value, the Authority arrived at a dumping margin of 48%.

INJURY

(i) *Total Imports*

Total imports from Indonesia entering the local market amounted to 22,816.95 tonnes from the November 2000 shipment.

(ii) *Factors relating to the state of the complainant's company—Trinidad Cement Limited (TCL)*

- (a) Actual production fell by approximately 6% from 2000 to 2001, as a result of a reduction in TCL's market share due to the dumped imports.
- (b) The reduction in TCL's market size was reflected in a decrease in capacity utilization from an estimated 97% in 2000 to 91% in 2001.
- (c) TCL's stocks of Portland grey cement at the end of 2001 increased by 42.25% from 2000 as a consequence of the dumped imports.
- (d) Subsequent to the arrival of the dumped imports, TCL's level of employment decreased by 33 persons for the period January, 2000 to December, 2001.

In view of the facts stated above and in particular in light of the decline in production, employment, market share, and an increase in inventories, the Authority concluded for the purpose of its preliminary finding, that Trinidad Cement Limited has suffered material injury within the meaning of the Act.

CASUAL LINK BETWEEN THE DUMPED IMPORTS AND THE INJURY

The complainant alleged a threat of injury at the time of the initiation of the investigation. Subsequently, however, during the course of the investigation, actual injury was revealed and the Authority noted that the complainant's production, employment figures and market share declined while inventories increased in the period immediately after the importation of the dumped product. Therefore, the Authority concluded that there was a casual link between the dumped imports and the injury suffered by the domestic industry. The Authority did not discover from the investigation any other factor that contributed to the change in the indicators that resulted in a finding of injury.

CONCLUSION

In light of the above findings, the Authority concluded, for the purposes of its provisional determination, that imports of Portland grey cement originating in Indonesia were sold at a dumped price and have caused material injury to this industry.

Made this 12th day of April, 2002.

K. VALLEY  
*Minister of Trade and Industry*