

Notice of Initiation of Sunset Review of Anti-dumping Duties Imposed on Dumped Imports of Polyester Filament Yarn into Pakistan Originating in and/or Exported from China and Malaysia

The National Tariff Commission (the “Commission”) received application under Section 58(3) of the Anti-Dumping Duties Act, 2015 (the “Act”) on June 03, 2022 from M/s. Gatron Industries Limited and M/s Rupali Polyester Limited (the “Applicants”) for sunset review of anti-dumping duties levied on dumped imports of Polyester Filament Yarn (“PFY”) from the People’s Republic of China and Malaysia (the “Exporting Countries”) following the notice of impending expiry of definitive anti-dumping duties imposed on dumped imports of PFY published in national press and official Gazette on April 21, 2022.

Subsequently, on July 15, 2022 the Commission received another request from Zhejiang Hengyi Petrochemical Co., Ltd., (“Hengyi”), an exporter of PFY from China for review for Change of Circumstances under Section 59 of the Act, and requested to re-determine the dumping margin for Hengyi.

Product under Review

Upon receipt of the application for sunset review of anti-dumping duties imposed on Polyester Filament Yarn from the Exporting Countries. The Commission investigated the matter whether the domestic industry produces Fully Drawn Yarn (FDY) or not as this matter was highlighted in the original investigation and subsequent litigation.

The Commission concluded that FDY shall not be part of product under review for the following reasons;

- (a) the production and sales of FDY by the domestic industry during POR is negligible;
- (b) the import of FDY during POR is significant;
- (c) the total demand of FDY is around 78,000 MT whereas the capacity of domestic industry to produce FDY is only 5,000 MT.

The product under review is Polyester Filament Yarn excluding Colored Yarn and Fully Drawn Yarn from the Exporting Countries. It is classified under Pakistan Customs Tariff Heading Nos. 5402.3300, 5402.4700 and 5402.6200.

Anti-dumping Duties in force

The Commission imposed definitive anti-dumping duty @ 2.78 to 6.82 percent ad val on dumped imports of PFY imported from the Exporting Countries till August 25, 2022.

Initiation of Review

The Commission has determined that there is *prima facie* likelihood of continuation or recurrence of dumping of the product under review from the Exporting Countries and likely material injury to the domestic industry and there are sufficient grounds to justify initiation of a sunset review under Section 58 of the Act. Thus, the Commission hereby initiate sunset review

pursuant to Sections 58(3) of the Act to determine whether expiry of the anti-dumping duties imposed on dumped imports of PFY from the Exporting Countries would likely to lead to continuation or recurrence of dumping and likely injury to domestic industry.

Period for the Review (“POR”)

The sunset review would be conducted on the basis of information for the last three years i.e. from April 01, 2019 to March 31, 2022.

Basis for Review

The Applicants have alleged that if the anti-dumping duties imposed on dumped imports of PFY from the Exporting Countries are terminated, there is likelihood that the exporters/producers from the Exporting Countries will again start dumping into Pakistan. Pakistan’s market is more attractive for the exporters/ producers of PFY from the Exporting Countries, as exporters of PFY from the Exporting Countries have continued exporting product under review to Pakistan after imposition of antidumping duties. There is also exportable surplus available with the Exporting Countries exporters /producers of product under review. It is further stated that there is a need to continue the anti-dumping duties on dumped imports of PFY from the Exporting Countries, otherwise there is likelihood of continuation or recurrence of dumping and injury to the domestic industry.

In the original investigation, the Commission examined all injury factors on the basis of imports of PFY including DTY and FDY. Similarly, the domestic industry has filed an application for sunset review based on imports of DTY and FDY. Since, the Commission has decided to exclude FDY, therefore, during course of review and before the conclusion of the same, the Commission shall determine the likelihood of recurrence or continuation of the injury with reference to Polyester Filament Yarn excluding Colored Yarn and FDY.

Re-determination of Dumping Margins for all Exporters

The Commission has changed the scope of product under review by excluding Colored Yarn and Fully Drawn Yarn (FDY) from Polyester Filament Yarn. Therefore, the Commission will re-determine the dumping margins for all exporters and request of Hengyi for re-determination of dumping margin will automatically be entertained.

Continuation of Anti-dumping Duties

In terms of Section 58(3) of the Act, the anti-dumping duties imposed on dumped imports of PFY from the Exporting Countries will remain in-force pending the outcome of the review. However, the anti-dumping duty shall not be applicable on Colored Yarn and Fully Drawn Yarn.

Schedule of the Review

Date of initiation of the review:	The date of publication of this notice in the newspapers in Pakistan
Date of conclusion of review:	Within twelve months of the date of publication of notice of initiation of the review.

Interested Parties

Interested parties, as defined in Section 2(j) of the Act, are requested to identify themselves to the Secretary, National Tariff Commission, State Life Building No. 5, Blue Area, Islamabad, Tel: +9251- 9202839 Fax: +9251-9221205 not later than 15 days after publication of this notice. An interested party applying for registration with the Commission in this review should submit; the name of the company, its line of business, name of authorized person, address, telephone number and fax number. All interested parties are invited to make their views/comments known to the Commission, and to submit information and documents (if any) not later than 45 days of the date of publication of this notice in the press in Pakistan. All data and information regarding this investigation should be submitted to the Secretary of the Commission.

Hearing

Any party as defined in Section 2(j) of the Act may, if so wishes, request a hearing in accordance with Rule 14 of the Anti-Dumping Duties Rules, 2001 within 45 days of the publication of this notice by contacting Secretary, National Tariff Commission.

Further Information

For further information please contact, Director (Investigation-I), Tel: +9251-9201188, Fax: +92-51- 9221205. General information may also be obtained by accessing the Commission's official [website www.ntc.gov.pk](http://www.ntc.gov.pk).

By order of the Commission

(Ali Muhammad Shah)
Secretary, NTC
August 24, 2022