



**Government of Pakistan
National Tariff Commission**

Report on

Conclusion of

**Sunset Review and Continuation of Anti-Dumping
Duties Imposed on Dumped Imports of One-Sided
Coated Duplex Board- Grey Back into Pakistan
Originating in and/ or Exported from the People's
Republic of China, the Republic of Indonesia and the
Republic of Korea**

**A.D.C No. 43/2016/NTC/CDB/SSR/2022
October 28, 2022**

A. INTRODUCTION

The National Tariff Commission (the "Commission") having regard to the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the "Agreement on Anti-dumping"), Anti-Dumping Duties Act, 2015 (the "Act") and the Anti-Dumping Duties Rules, 2001 (the "Rules") relating to the investigation/review and determination of dumping of goods into the Islamic Republic of Pakistan ("Pakistan"), material injury to the domestic industry caused by such imports, and imposition of anti-dumping duties to offset the impact of such injurious dumping, and to ensure fair competition thereof. Section 58 of the Act relates to review of anti-dumping duties imposed on dumped imports of the investigated products.

2. Having regard to the Section 58(3) of the Act, a definitive anti-dumping duty shall not expire if the Commission determines in a review that the expiry of such anti-dumping duty would likely lead to continuation or recurrence of dumping and injury.

3. The Commission has conducted sunset review of anti-dumping duties levied on dumped imports of one-sided coated duplex board- grey back ("Duplex Board") classified under PCT Heading Nos. 4810.9200 and 4810.9900, from the People's Republic of China ("China"), the Republic of Indonesia ("Indonesia") and the Republic of Korea ("Korea") (collectively referred as the "Exporting Countries") under the Act and the Rules. This report on conclusion of the review has been issued in accordance with Section 39(5) of the Act and Article 12.2 of the Agreement on Anti-dumping.

4. In terms of Section 62(2) of the Act, the sunset review under Section 58 of the Act shall normally be completed within twelve months from its initiation. This sunset review was initiated on April 27, 2022.

B. BACKGROUND

5. Anti-dumping Duties

The Commission imposed following definitive anti-dumping duties on dumped imports of Duplex Board from the Exporting Countries for a period of five years effective from May 12, 2017:

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**Table-I
Anti-dumping Duty Rates**

Country	Anti-dumping Duty Rate (%)
(1)	(2)
China	18.57
Indonesia	16.22
South Korea	14.98

C. PROCEDURE

6. The procedure set out below has been followed with regard to this sunset review in accordance with the Section 62 of the Act.

7. **Notice of Impending Expiry of Definitive Anti-dumping Duties**

In terms of Section 58(3) of the Act, a definitive anti-dumping duty shall not expire if the Commission determines in a review initiated before expiry of anti-dumping duty that the expiry of such anti-dumping duty would likely lead to continuation or recurrence of dumping of the investigated product and injury to the domestic industry. The Commission published a notice of impending expiry of anti-dumping duties in this case in official Gazette and national press in accordance with Section 58 (2) of the Act on January 31, 2022.

8. **Receipt of Application**

The Commission received an application on March 16, 2022 under Section 58 of Act for review of the anti-dumping duties imposed on dumped imports of Duplex Board from Exporting Countries. The application was filed by M/s. Century Paper & Board Mills Ltd. and M/s Bulleh Shah Packaging (Pvt.) Ltd. (the "Applicants"), who are domestic producers of Duplex Board. The application was in response to the notice of impending expiry of the anti-dumping duties imposed on dumped imports of Duplex Board into Pakistan originating in and /or exported from the Exporting Countries. The Applicants contended that expiry of anti-dumping duties on Duplex Board would likely to lead to continuation or recurrence of dumping of Duplex Board from the Exporting Countries and injury to the domestic industry producing Duplex Board.

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9. **Evaluation and Examination of the Application**

Examination of the application showed that it met the requirements of Section 58(3) of the Act as they contained sufficient evidence of likelihood of continuation or recurrence of dumping of Duplex Board from the Exporting Countries and injury to the domestic industry.

10. **Domestic Industry**

10.1 As per the information available with the Commission, the domestic industry producing Duplex Board consists of following fifteen units. However, in original investigation, the Applicants had identified ten units:

1. Century Paper & Board Mills Limited
2. Bulleh Shah Packaging (Pvt) Limited
3. Malik Board & Paper Industries (Pvt) Ltd.
4. Synergy Board Mills
5. Packtech Pvt Ltd.
6. Fazal Paper Mills (Pvt) Ltd.
7. Shifa Board (Pvt) Ltd./ E
8. Tadjalla Board Mills
9. Paramount Paper Board Mills (Pvt) Ltd.
10. Horizon Paper & Board Mills (Pvt) Ltd.
11. Shabbir Paper & Board Mills (Pvt) Ltd.
12. Empire Paper Mills
13. Zaman Board - Hattar
14. Nelum Board Pvt. Ltd.
15. Kundi Pvt. Ltd

10.2 During the course of the review investigation, the Commission wrote letters and sent questionnaires to above-mentioned producers, however, no producer has provided any data/ information to the Commission in response to the questionnaire neither they replied regarding their status to the application whether they are opposing, supporting or indifferent etc.

11. **Standing of the Application**

11.1 The application fulfilled requirements of Section 24 of the Act, which requires the Commission to assess the standing of the domestic industry on basis of the degree of

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support for or opposition to the application expressed by the domestic producers of the like product.

11.2 In terms of Section 24(1) of the Act, an application shall be considered to have been made by or on behalf of the domestic industry only if it is supported by those domestic producers whose collective output constitutes more than fifty percent of the total production of a domestic like product produced by that portion of the domestic industry expressing either support for or opposition to the application. Furthermore, Section 24(2) of the Act provides that no investigation shall be initiated when domestic producers expressly supporting an application account for less than twenty five percent of the total production of domestic like product produced by the domestic industry.

11.3 The application was filed by the M/s. Century Paper & Board Mills Ltd. and M/s Bulleh Shah Packaging (Pvt.) Ltd., who are major units manufacturing Duplex Board in Pakistan. The Applicants collective output constituted 59.65 percent of the total domestic production of domestic like product during 2021. Therefore, the application is considered to have been filed by the domestic industry, as it is supported by those domestic producers whose collective production constitutes 59.65 percent of the total production of the like product. Following table shows production share of each unit of the industry for year 2021:

**Table-II
Standing of Application**

S. No.	Unit Name	% Share	Status
(1)	(2)	(4)	(5)
1.	Century Paper & Board Mills Limited	48.46	Applicant
2.	Bulleh Shah Packaging (Pvt) Limited	11.19	Applicant
3.	Malik Board & Paper Industries (Pvt) Ltd.	4.34	Indifferent
4.	Synergy Board Mills	0.00	Indifferent
5.	Packtech Pvt Ltd.	7.81	Indifferent
6.	Fazal Paper Mills (Pvt) Ltd.	8.24	Indifferent
7.	Shifa Board (Pvt) Ltd./ E	0.00	Indifferent
8.	Tajjalla Board	0.00	Indifferent
9.	Paramount Paper Board Mills (Pvt) Ltd.	0.00	Indifferent
10.	Horizon Paper & Board Mills (Pvt) Ltd.	4.34	Indifferent
11.	Shabbir Paper & Board Mills (Pvt) Ltd.	5.21	Indifferent
12.	Empire Paper Mills	6.51	Indifferent
13.	Zaman Board - Hattar	1.30	Indifferent
14.	Nelum Board Pvt. Ltd.	1.74	Indifferent
15.	Kundi Pvt. Ltd.	0.87	Indifferent
	Total	100.00	

Source: the Applicants

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11.4 On the basis of the above information it is determined that the application is made on behalf of the domestic industry as it fulfils the requirement of Section 24 of the Act.

12. Initiation of Sunset Review

12.1 Upon examination of the application, the Commission established that it met requirements of Section 58 of the Act. Therefore, the Commission initiated sunset review on April 22, 2022 to determine whether there is likelihood of continuation or recurrence of dumping of Duplex Board from the Exporting Countries and injury to the domestic industry.

12.2 In terms of Section 27 of the Act, the Commission issued a notice of initiation of the Sunset Review, which was published in the official Gazette of Pakistan and in two widely circulated national newspapers ("The News" and "Jang") on April 27, 2022.

12.3 The Commission notified Diplomatic Missions of the Exporting Countries in Pakistan on April 27, 2022 of the initiation of reviews by sending a copy of the notice of initiation of the sunset review with a request to forward it to all exporters/ producers involved in production, sales and export of Duplex Board in their countries. Copies of notice of initiation were also sent to the Applicants, known exporters/producers of Duplex Board of the Exporting Countries, and known importers on April 27, 2022, in accordance with the requirements of Section 27 of the Act.

12.4 In accordance with Section 28 of the Act, on April 27, 2022, the Commission also sent copy of full text of the written application (non-confidential version) to all exporters/producers of Duplex Board in the Exporting Countries, whose complete addresses were available with the Commission and to the Diplomatic Missions of the Exporting Countries in Islamabad with a request to forward it to all exporters/producers of Duplex Board in their Countries involved in production, sale and/or export of product under review.

13. Product under Review

13.1 The product under review is One Side Coated Duplex Board (Grey Back) ranging from 225 to 400 grams. Paperboard produced from recycled wastepaper (Recycled Fibre) and one sided clay coated is considered as the above product and is commonly known as Coated Duplex Board (Grey Back), "Coated Duplex Board", "One Side Coated Duplex Board with Grey Back", "1SC Duplex Board with Grey Back" or just "Duplex Board". The said product is classified under Pakistan Customs Tariff ("PCT") codes.

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4810.9200 and 4810.9900. It is mainly used for packaging cartons/boxes (Folding Cartons) of numerous consumer & industrial products such as cigarettes, pharmaceuticals, spices, confectionary, food, tea, biscuit, shoe, auto parts, electric appliances, electronics and garment etc.

13.2 Following table shows current tariff structure (2022-23) applicable on imports of Duplex Board:

**Table-III
Tariff Structure of Duplex Board (%)**

PCT Heading	Description	Customs Duty	Add.duty	RD	FTAs/PTAs
(1)	(2)	(3)	(4)	(5)	(6)
Chapter 48	Paper and Paperboard: articles of paper pulp, of paper or of paperboard				
48.10	Paper and paperboard, coated on one or both sides with kaolin (China clay) or other inorganic substances, with or without a binder, and with no other coating, whether or not surface- coloured, surface- decorated or printed, in rolls or rectangular (including square) sheets, of any size.				
	- Other paper and paperboard:				
4810.9200	-- Multiply	20	6*	-	Fifth Schedule Part-III C.D 15% CN_20; MY=20; LK_FTA Conc. = 100%
4810.9900	-- Other	20	6*	-	Fifth Schedule Part-III CD 0%, CN_20; MY=20; LK_FTA Conc. = 100%

Source: Pakistan Customs Tariff 2021-22

*ACD vide SRO 845(I)/2021 reduced from 7% to 6% w.e.f July 01, 2021

14. Domestic like Product

14.1 The domestic like product, produced by the domestic industry is One Side Coated Duplex Board (Grey Back) ranging from 225 to 400 grams. Paperboard produced from recycled wastepaper (Recycled Fibre) and one sided clay coated is considered as the above product and is commonly known as Coated Duplex Board (Grey Back), "Coated Duplex Board", "One Side Coated Duplex Board with Grey Back", "1SC Duplex Board with Grey Back" or just "Duplex Board". The said product is classified under Pakistan Customs Tariff ("PCT") Nos. 4810.9200 and 4810.9900. It is mainly used for packaging cartons/boxes (Folding Cartons) of numerous consumer & industrial products such as cigarettes, pharmaceuticals, spices, confectionary, food, tea, biscuit, shoe, auto parts, electric appliances, electronics and garment etc.

14.2 The Commission in its original investigation had determined that the investigated product and the domestic like product were like products.

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15. **Period of Review**

The period of review ("POR") for this sunset review was fixed from January 01, 2019 to December 31, 2021. The Commission has determined likely recurrence or continuation of dumping and likely recurrence or continuation of material injury to the domestic industry in accordance with provisions of Section 58 of the Act on the basis of information gathered for this POR.

16. **Information/Data Gathering**

16.1 The Commission sent questionnaires on April 27, 2022 to all known exporters/producers (whose addresses were available with the Commission) of Duplex Board from the Exporting Countries, asking them to respond within 37 days of the dispatch of the questionnaires. The Commission also sent questionnaire to known importers of Duplex Board requesting them to provide information within 37 days. The Commission sent a copy of the questionnaire to the diplomatic missions of the Exporting Countries in Pakistan as well on April 27, 2022 with a request to forward it to all known exporters/ producers of Duplex Board in their countries.

16.2 No response from any exporter/foreign producer was received within the prescribed time period. Therefore, reminders were issued to the exporters/foreign producers on June 08, 2022 explaining that, if no response of the questionnaire is submitted by them, the Commission will be constrained to make determination of likely continuation or recurrence of dumping of the product under review on the basis of "best information available" including those contained in the application submitted by the domestic industry. However, none of the exporters/ producers from the Exporting Countries responded to the Commission and did not provide requisite information.

16.3 Questionnaire was also sent to seven known importers of the product under review on April 27, 2022. Reminders too were sent on June 08, 2022, however, no response was received.

16.4 The Commission has access to the import statistics of Pakistan Revenue Automation Limited ("PRAL"), the data processing arm of the Federal Board of Revenue, Government of Pakistan. For the purpose of this review the Commission has also used import data obtained from PRAL's database in addition to the information provided by the Applicants. Further, the Commission has also obtained certain information from publicly available sources, which, *inter-alia* includes, websites producers of Duplex Board in Exporting Countries, International Trade Centre website (www.trademap.org) and other sources etc.

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17. Verification of Information

17.1 In terms of Section 23, 32(4) and 35 of the Act and Rule 12 of the Rules, the Commission, during the course of the investigation /review, satisfies itself as to the accuracy of information supplied by the interested parties to the extent possible.

17.2 In order to verify the information/data provided by the Applicants and to obtain further information (if any), officers of the Commission conducted on-the-spot verifications at the offices and plant of M/s Bulleh Shah Packaging (Pvt) Ltd. June 01 to 03, 2022, and M/s. Century Paper & Board Mills Ltd. from June 14 to 15, 2022. Reports of the on-the-spot verifications are made available to the interested parties by placing them in the public file.

18. Public File

The Commission, in accordance with Rule 7 of the Rules, has established and maintained a public file of this sunset review at its office. This file remains available to the interested parties for review and copying from Monday to Thursday between 1100 hours to 1300 hours throughout the review investigation. This file contains non-confidential versions of the application, responses to the questionnaires, submissions, notices, on-the-spot investigation reports, correspondence, and other documents for disclosure to the interested parties.

19. Confidentiality

19.1 In terms of Section 31 of the Act, the Commission shall keep confidential any information submitted to it, which is by nature confidential, or determined by the Commission to be of confidential nature for any other reason or provided as confidential by parties to an investigation upon good cause shown, to be kept confidential.

19.2 The Applicants have requested the Commission to keep confidential the information, which is by nature confidential in terms of Section 31 of the Act. This information includes data relating to sales, sale prices, cost to make and sell, inventories, production, profit/(loss), return on investment, cash flow, growth, investment, salaries and wages, number of employees and capacity etc. In addition to this, Applicants and other interested parties also provided certain information on confidential basis, as its disclosure would cause adverse effect upon them.

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19.3 Pursuant to requests made by the Applicants to treat certain information as confidential, the Commission has determined confidentiality in light of Section 31 of the Act and for the reasons that disclosure of such information may be of significant competitive advantage to the competitor, or because its disclosure would have a significant adverse effect upon the interested parties providing such information. However, in terms of Section 31(5), non-confidential summaries of all confidential information, which provide reasonable understanding of the substance, have been placed in the public file.

20. Disclosure of Essential Facts

20.1 In terms of Rules 14(8) of the Rules, the Commission disclosed essential facts, and in this context circulated a Statement of Essential Facts (the "SEF") on September 07, 2022 to all interested parties including the Applicants, the exporters/producers from the Exporting Countries, the importers and Embassies of the Exporting Countries in Pakistan.

20.2 Under Rule 14(9) of the Rules, the interested parties were required to submit their comments (if any) on the facts disclosed in SEF, in writing, not later than fifteen days of such disclosure. None of the interested parties have submitted any comments on SEF.

21. Determination of Likelihood Recurrence or Continuation of Dumping

To determine likelihood of continuation or recurrence of dumping of the product under review from the Exporting Countries, the Commission has considered following factors. Information on these factors has been gathered /obtained from different sources including the Applicants, PRAL, articles published in different journals, websites of exporters and producers of Duplex Board, ITC & other sources etc.

- a. Whether exporters/ producers from the Exporting Countries stopped or continued exporting the product under review to Pakistan after imposition of anti-dumping duties;
- b. Whether exporters/foreign producers have exportable surplus of the product under review; and
- c. Whether exporters/foreign producers have developed other export markets after imposition of anti-dumping duties.

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21.1 Whether exporters/ producers from Exporting Countries stopped or continued exporting the product under review to Pakistan after imposition of Anti-dumping Duties

21.1.1 Information on imports Duplex Board from dumped sources and other sources have been provided in the following table:

Table-IV
Imports of Duplex Board (Volume)

Year/Period	Dumped Imports				Other Import	Total Imports	Dumped as % of total imports
	China	South Korea	Indonesia	Total			
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(5+6)	(8)
Oct 14 - Sep 15*	77.97	6.29	14.84	99.09	0.91	100.00	99.09
Jan - Dec 19	0.24	3.26	0.04	3.54	5.25	8.79	40.26
Jan - Dec 20	-	-	-	-	4.79	4.79	0
Jan - Dec 21	-	-	-	-	0.45	0.45	0

* POI of original investigation Source: PRAL

Note: To maintain confidentiality, figures are indexed with respect to total imports in Oct 14-Sept 15 as 100.

21.1.2 The above table shows that imports of Duplex Board from the Exporting Countries declined and subsequently stopped during the POR. Imports from other sources declined significantly.

21.1.3 The weighted average C&F price of dumped imports of the product under review declined in case of China and South Korea in 2019 as compared to the prices of the original POI. Following table shows C&F prices of dumped imports before and after imposition of anti-dumping duties:

Table-V
C&F Prices of dumped Imports

Year/Period	C&F prices of Dumped Imports (Per Unit)			
	China	South Korea	Indonesia	All Dumped Sources
(1)	(2)	(3)	(4)	(5)
Oct 14 - Sep 15*	98	108	102	100
Jan - Dec 19	60	102	115	99
Jan - Dec 20	No imports			
Jan - Dec 21				

* Original POI Source: PRAL

Note: To maintain confidentiality, figures are indexed with respect to C&F Price of dumped sources in Oct 14-Sept 15 as 100.

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21.1.4 Investigation has revealed that the exporters/producers from the Exporting Countries stopped exporting the product under review due to imposition of anti-dumping duties. Analysis of the import prices of the product under review shows that its C&F price in US\$ remained in same range after imposition of the anti-dumping duties. Based on the above information, there is likelihood of recurrence of imports of the product under review if anti-dumping duties are not in place, as exporters of the product under review have stopped exporting due to imposition of anti-dumping duties.

21.2 Whether exporters/foreign producers have exportable surplus of the product under review

21.2.1 The investigation on whether exporters/foreign producers have exportable surplus of the product under review revealed that the installed capacity and inventories of the product under review has increased in China & Indonesia in recent years.

21.2.2 According to RISI report published by Fastmarket RISI, which is a leading price reporting, analytics and events organization for the global forest products, metals, and industrial minerals markets, the producers of product under review in China have increased their capacities or are planning to increase their capacities. Quotes from the RISI reports are reproduced below:

21.2.2.1 China's Fuzhou Zhefeng Packaging Material fires up 300,000 tonne/yr duplex board machine¹

China's Fuzhou Zhefeng Packaging Material started trial production on a 300,000 tonne/yr recycled cartonboard machine at its sole mill in Fuzhou city, Jiangxi province last week. Designed to produce coated duplex board, the unit has a trim width of 5.6 m and a design speed of 500 m/min. The Fuzhou mill previously belonged to Fuzhou Sihai Paper, a small company with 10,000 tonnes/yr of tissue paper capacity and 40,000 tonnes/yr of corrugating medium capacity. About a decade ago, Fuzhou Sihai Paper planned to add a 200,000 tonne/yr high-strength corrugating medium machine and a 100,000 tonne/yr coreboard machine to the Fuzhou site. Infrastructure work kicked off in 2013, but the project, as well as all paper and board production there, came to a stop in mid-2014 as the company fell into a serious debt crisis. Fuzhou Sihai Paper was declared bankrupt in 2019 and had all its assets liquidated. In 2020, the newly-founded Fuzhou Zhengfeng Packaging Material bought the Fuzhou mill, including the unfinished workshop for the expansion project, by auction. After the acquisition, it decided to build the new 300,000 tonne/yr recycled carton board unit there. The existing small tissue and corrugating medium capacity had already been scrapped."

¹ RISI January 28, 2022 issue | Vol. 25 | No. 4

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21.2.2.2 Sichuan Huaqiao Fenghuang building 580,000 tonne/yr recycled containerboard unit in Deyang, China²

“China’s Sichuan Huaqiao Fenghuang is building a new recycled containerboard machine at its existing mill in Deyang city, in the southwestern province of Sichuan. Voith has been tapped to provide the BM, which will feature a width of 7.92 m and a design speed of 1,400 m/min. According to the German supplier, the unit is designed to produce recycled containerboard grades in a basis weight range of 90-170 g/m² at a maximum pace of 1,700 tonnes per day, or about 580,000 tonnes/yr. Its startup is expected by the end of 2023. The BM will be integrated with a Voith-supplied old corrugated container line, which is capable of processing 2,200 tonnes per day. Sichuan Huaqiao Fenghuang currently boasts 300,000 tonnes/yr of recycled cartonboard capacity at the Deyang mill. Its output includes coated grayback duplex board and chipboard.”

21.2.2.3 Zhejiang Huatian Renewable Resources starts up 300,000 tonne/yr duplex board mill in China³

“China’s Zhejiang Huatian Renewable Resources has begun trial production on a 300,000 tonne/yr recycled cartonboard machine at a new mill in Shengzhou city, Zhejiang province. The BM churned out its first sheet of board on Monday. Provided by an unnamed domestic supplier, the unit has a trim width of 4.4 m and a design speed of 500 m/min. Its main output will be recycled fiber-based grayback coated duplex board. Zhejiang Huatian Renewable Resources was founded in 2019, with Zhejiang Fuyang Huatian Paper as its largest shareholder. Zhejiang Fuyang Huatian Paper once ran a 3.6 m-wide BM capable of producing 150,000 tonnes/yr of coated duplex board at a mill in Fuyang district, Hangzhou city - the capital of Zhejiang province. The plant was permanently shut in early 2019 and the BM later dismantled as part of a government-mandated closure of all paper and board mills in Fuyang.”

21.2.2.4 Jiangsu Fuqin Paper commissions 300,000 tonne/yr coated duplex board machine at new mill in China⁴

“China’s Jiangsu Fuqin Paper fired up a second-hand 300,000 tonne/yr recycled cartonboard machine at a new mill in Yancheng, Jiangsu province, earlier this month. The BM has a width of 4.7 m and a design speed of 500 m/min. It is designed to produce grayback coated duplex board. It was first commissioned in 2015 at Fuyang Jinli Paper’s (later Zhejiang Daoqin Paper) sole mill in Fuyang district, Hangzhou city, Zhejiang province. The Fuyang mill was permanently shut down in early 2020, and the BM was subsequently bought by Jiangsu Fuqin Paper for relocation to the Yancheng site. Founded in 2020, Jiangsu Fuqin Paper is an affiliate

² RISI January 21, 2022 issue | Vol. 25 | No.3

³ RISI January 14, 2022 issue | Vol. 25 | No. 2

⁴ RISI December 31, 2021 issue | Vol. 24 | No. 48

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of Jiangsu Fuxing Paper which operates a 300,000 tonne/yr coated duplex board machine at a facility next door."

21.2.2.5 China's Jiangsu Jintian Paper starts 350,000 tonne/yr BM at new Yancheng mill; more units coming soon⁵

"Jiangsu Jintian Paper has started trials on a 350,000 tonne/yr chipboard machine - the first of three BMs due this year at a new mill in Yancheng city, Jiangsu province, China. Dubbed PM 16, the unit churned out its first sheet of board last week. Provided by domestic firm Hangzhou North Star Light Industry Machinery, it has a width of 4.8 m and a design speed of 450 m/min, and is designed to produce 100% recycled fiber-based chipboard. A second chipboard machine and a coated duplex board machine, slated to have a combined capacity of 550,000 tonnes/yr, are under installation at the same site, and their startups are expected soon. Jiangsu Jintian is preparing further expansions at the Yancheng mill, planning to add another 1 million tonnes/yr of chipboard and recycled containerboard capacity there in 2022."

21.2.2.6 Zhejiang Forest United Paper to build 600,000 tonne/yr recycled cartonboard machine in China⁶

"China's Zhejiang Forest United Paper is installing a 600,000 tonne/yr coated recycled carton board machine at a new mill in Taizhou city, Zhejiang province. Valmet has been tapped to provide key components, including four headboxes, a top forming unit, four coating heads and air dryers. The BM will feature a wire width of 6.3 m and a design speed of 1,000 m/min. It is designed to produce white lined chipboard (also known as coated duplex board) in a basis weight range of 180-350 g/m² at a maximum pace of 1,800 tonnes per day, with startup scheduled for 2023. Founded in 2020 to carry out the Taizhou project, Zhejiang Forest United Paper is a subsidiary of board and packaging company Forest Packaging Group. The parent company currently operates 550,000 tonnes/yr of recycled containerboard capacity at a plant also in Taizhou city via another subsidiary, Taizhou Forest Paper."

21.2.2.7 Henan Xinxiang Hongtai Paper starts up new 300,000 tonne/yr duplex board machine in China⁷

"China's Henan Xinxiang Hongtai Paper has recently started trial production on a new recycled cartonboard machine at its sole mill in Xinxiang city, Henan province. The BM churned out its first sheet of board on Tuesday. Provided by an unnamed domestic supplier, the unit features a trim width of 4.6 m and a design speed of 600 m/min. A company source

⁵ RISI October 29, 2021 | Vol. 24 | No. 40

⁶ RISI October 15, 2021 | Vol. 24 | No. 38

⁷ RISI July 16, 2021 | Vol. 24 | No. 27

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told PPI Asia that the BM is primarily furnished with domestic recovered paper and can produce up to 300,000 tonnes/yr of coated duplex board within a basis weight range of 250-450g/m². It is the second recycled cartonboard machine to have come online at the mill. The company made its first foray into board production in May last year when it started up a 100,000 tonne/yr coated duplex board machine that had been sourced second-hand from an unnamed, shuttered mill in Fuyang, Zhejiang province (No. 22, 2020, p.5). Apart from the two BMs, the Xinxiang mill operates several small PMs with a total capacity of 100,000 tonnes/yr of uncoated woodfree paper."

21.2.2.8 China's Wuhan Golden Phoenix Paper plans 800,000 tonne/yr board expansion at Hubei mill⁸

"China's Wuhan Golden Phoenix Paper is planning to build 800,000 tonnes/yr of packaging board capacity at its existing mill in the Xiaonan district of Xiaogan city, Hubei province. The company signed an agreement with the local government over the RMB 2.4 billion (\$369 million) scheme last week. Last month it published a preliminary environmental impact assessment (EIA) document on the project, and its evaluation is pending. According to the EIA, the project will include 700,000 tonnes/yr of linerboard capacity and 100,000 tonnes/yr of coreboard. The company is also mulling over the installation of 500,000 tonnes/yr of pulp capacity after the board work."

21.2.2.9 China's Sun Paper commissions 520,000 tonne/yr recycled board machine in Laos; second on the way⁹

"China's Shandong Sun Paper Industry has fired up a recycled container board machine at its mill in Muang Phin, Savannakhet province, Laos. The unit churned out its first sheet of board last Friday. Provided by Voith, it features a trim width of 6.6 m and a design speed of 1,200 m/min. According to the German supplier, the BM is capable of producing up to 520,000 tonnes/yr of recycled linerboard in a basis weight range of 140-250 g/m². The capacity is larger than the 400,000 tonnes/yr Sun Paper previously announced. The BM is equipped with a Kadant-supplied old corrugated container (OCC) system, which can process US OCC at a maximum speed of 1,600 bone dry tonnes/day. A second BM, which is of a similar scale, is scheduled to start trial runs at the site in the first quarter."

21.2.2.10 Jiangsu Kaisheng fires up 200,000 tonne/yr coated duplex board machine in Suqian, China¹⁰

⁸ RISI March 19, 2021 | Vol. 24 | No. 11

⁹ RISI December 18, 2020 | Vol. 23 | No. 47

¹⁰ RISI October 30, 2020 | Vol. 23 | No. 40

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“Jiangsu Kaisheng Paper has recently started up a 200,000 tonne/yr coated duplex board machine at its mill in Suqian city, Jiangsu province, China. Trial production began late last month. The BM, which was sourced second-hand from an unnamed Chinese mill, features a trim width of 3.8 m and a design speed of 400 m/min. Its output is recycled fiber-based coated duplex board in a basis weight range of 200-450 g/m². The Suqian mill also operates two recycled containerboard machines, capable of producing up to 150,000 tonnes/yr of corrugating medium in total.

21.2.3 One of the major producer in Indonesia namely Fajar Paper has increased its production capacity of the product under review. As per financial statements of Fajar Paper for the year 2021, the company increased its Duplex Board capacity by 50,000 MT in 2020. According to a news report by Reuters, published on March 29, 2022, “Indonesia’s APRIL Group investing in new factory of Paperboard in Indonesia’s Sumatra”. Extracts are reproduced below:

“Pulp and paper maker Asia Pacific Resources International Ltd (APRIL Group) on Tuesday began construction on a 33.4 trillion rupiah (\$2.33 billion) paperboard production facility on Indonesia’s Sumatra island, the company said. The factory will be part of APRIL’s operations in Riau province and have the capacity to produce 1.2 million tonnes of folding box board annually that is fully recyclable and biodegradable.”

21.2.4 Above information reveals that Indonesia has increased its capacity during POR while its exports to world have decreased by 22 percent (Table-VI infra). This shows that it has enough idol capacity and capability to export product under review. Therefore, there is likelihood of recurrence of dumping if anti-dumping duties are removed.

21.2.5 The information/data provided at Table-VI infra demonstrates that total worldwide exports of Korea rose by 16 percent during POR as compared to original POI, which means capacities and capabilities of Korean exporters to export the product under review have increased during the POR. Thus, there is likelihood of recurrence of dumped imports of the product under review into Pakistan if anti-dumping duties are removed.

21.3 Whether exporters/foreign producers have developed other export markets after imposition of anti-dumping duty

21.3.1 To assess the impact of the anti-dumping duties imposed on exports of the product under review from the Exporting Countries, the Commission has analyzed the information obtained from Trade Map which reveals that there has been increased in total exports of China and Korea, however, in case of Indonesia total exports have

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declined. Following table shows the information on exports of Duplex Board from the Exporting Countries during 2015 and 2021:

Table-VI

Major Export Markets of China			
2015		2021	
Destination	Quantity (MT)	Destination	Quantity (MT)
(1)	(2)	(3)	(4)
World	1,006,596	World	1,067,503
Turkey	93,828	Viet Nam	144,507
USA	76,842	Bangladesh	108,457
Pakistan*	32,067	United Arab Emirates	85,446
Bangladesh	62,854	Turkey	78,497
Malaysia	54,897	Pakistan*	0
Others	649,606	Others	650,596
Major Export Markets of Indonesia			
2015		2021	
Destination	Quantity (MT)	Destination	Quantity (MT)
(1)	(2)	(3)	(4)
World	151,293	World	117,882
Viet Nam	41,380	Viet Nam	52,022
Malaysia	26,129	Malaysia	24,294
Bangladesh	15,804	Thailand	14,055
Thailand	11,531	Myanmar	9,069
Saudi Arabia	8,015	Taipei, Chinese	6,269
Pakistan*	6,102	Pakistan*	0
Others	48,434	Others	2,502
Major Export Markets of Korea			
2015		2021	
Destination	Quantity (MT)	Destination	Quantity (MT)
(1)	(2)	(3)	(4)
World	416,754	World	482,237
Viet Nam	116,382	Viet Nam	132,496
Iran	72,927	Malaysia	95,274
Philippines	39,229	Philippines	57,200
Japan	36,863	Thailand	42,469
Bangladesh	34,120	Bangladesh	31,525
Pakistan*	2,585	Pakistan*	0
Others	117,233	Others	123,273

Source: <https://www.trademap.org>

*Source of exports to Pakistan is from Primary source i.e. PRAL. Figures reported in export quantities to Pakistan in 2015 show the exports in the original POI i.e. Oct 14 - Sep 15.

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21.3.2 The above table shows that during last five years there was slight increase in total exports of China and Korea; however, in case of Indonesia total exports have declined. There was a sporadic trend in the export destination of Exporting Countries, as few of the major export destinations have changed. For example, United States, Pakistan and Malaysia were among top five export destinations of China for paperboard have been replaced by UAE, Korea and Thailand. This could be due to imposition of anti-dumping duties by Pakistan and trade war between United States and China in recent past. Similarly, Bangladesh and Saudi Arabia which were among top five export destinations of Indonesia for paperboard have been replaced by Taiwan and Myanmar. Likewise, Iran and India which were among top five export destinations of Korea for paperboard have been replaced by Malaysia and Thailand.

21.4 The above information shows that almost half of the volume of exports of exporting countries is being supplied to five countries. As Exporting Countries have surplus export capacities (paragraph 21.2 supra) and Pakistan was one of the major destination prior to imposition of antidumping duties, therefore, there is likelihood of recurrence of dumped imports at an increased pace from the Exporting Countries if the anti-dumping duties imposed on the product under review are abolished.

22. Determination of Likely Recurrence or Continuation of Injury to the Domestic Industry

22.1 Likelihood of Injury to the domestic industry will be determined in accordance with provisions of the Act. The Commission will take into account all relevant factors in order to determine likely continuation or recurrence of injury to the domestic industry. To determine likelihood of continuation or recurrence of injury to the domestic industry, the Commission, *inter alia*, considered following factors:

- a. Likely change in volume of imports of the product under review if anti-dumping duties are terminated;
- b. Likely impact of imports of the product under review on prices of the domestic like product with and without anti-dumping duties; and
- c. Consequent likely impact on the domestic industry, which includes likely and potential decline in: sales, profits, output, market share, productivity, return on investment, capacity utilization and likely negative effects on: cash flow, inventories, employment, wages, growth, ability to raise capital or investments.

22.2 Information/facts on injury factors are provided in the following paragraphs:

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22.3 Likely Effect on Volume of Dumped Imports

22.3.1 With regard to the volume of dumped imports, in terms of Section 15(2) of the Act, it is considered whether there would be significant increase in dumped imports, either in absolute terms or relative to the consumption or production of the domestic like product if the anti-dumping duties are terminated.

22.3.2 The following table shows information on imports of the product under review in period of original investigation and period of review and domestic consumption:

Table-VII
Dumped Imports and Domestic Production (Volume & %)

Year/Period	Sources of Imports		Total imports	Domestic consumption**	Dumped imports as % of:	
	Dumped	Others			Total imports	Consumption
(1)	(2)	(3)	(4)=(2+3)	(5)	(6)	(7)
Oct 14 - Sep 15*	20.79	0.19	20.98	100.00	99.09	20.79
Jan - Dec 19	0.74	1.10	1.84	147.60	40.26	0.50
Jan - Dec 20	-	1.01	1.01	148.58	0.00	0.00
Jan - Dec 21	-	0.09	0.09	155.49	0.00	0.00

* POI of Original Investigation

Sources: the Applicants and PRAL

**Including sales of other units

Note: To maintain confidentiality, figures are indexed with respect to domestic consumption in Oct 14-Sept 15 as 100.

22.3.3 The above table shows that the share of dumped imports from the Exporting Countries during period of original investigation was 99.09 percent of total imports of Duplex Board which after imposition of anti-dumping duties reduced to 40.26 percent during Jan-Dec 2019 and declined to zero in subsequent years. Similarly, share of dumped imports of the product under review in total consumption which was 21 percent in the original POI reduced to zero after imposition of anti-dumping duties.

22.3.4 As there is strong likelihood that the dumped imports of the product under review will recur if anti-dumping duties are terminated (paragraph 21 supra), therefore, on the basis of above information and analysis, the Commission has concluded that termination of anti-dumping duties on dumped imports of the product under review would likely lead to significant increase in its absolute volume as well as relative to domestic consumption. Therefore, termination of anti-dumping duties on dumped imports would likely lead to the recurrence of injury to the domestic industry on account of increase in volume of dumped imports.

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22.4. Likely Price Effects

22.4.1 Effects of dumped imports on sale price of the domestic like product have been examined to established whether there is likely price undercutting, price depression and/or price suppression. Likely effects on price of the domestic like product are analyzed in following paragraphs:

22.4.2 Likely Effects on Price Undercutting

22.4.2.1 During original POI, dumped imports of the investigated product undercut price of the domestic like product by 8 percent. After imposition of anti-dumping duties, the dumped imports declined significantly and completely disappeared from the domestic market during the POR. Resultantly, price undercutting disappeared. Analysis of the import information shows that even after imposition of the anti-dumping duties C&F price of dumped imports of the product under review in US\$ remained in same range . Following table shows the volume and C&F prices of dumped and other imports after imposition of anti-dumping duties:

**Table-VIII
Volume and C&F Prices of Imports**

Year/Period	Dumped Imports		Other (non-dumped) imports	
	Volume	C&F Price	Volume	C&F Price
(1)	(2)	(3)	(4)	(5)
Oct 14 - Sep15*	100	100	0.92	101.32
Jan-Dec 2019	4	99.06	5.30	113.96
Jan-Dec 2020	No imports		4.84	115.85
Jan-Dec 2021			0.45	120.57

*Original POI

Source: PRAL

Note: To maintain confidentiality, volume figures and C&F prices are indexed with respect to dumped imports in Oct 14-Sept 15 as 100.

22.4.2.2 The above table indicates that the C&F prices in US\$ of the dumped imports of the product under review remained almost same after imposition of anti-dumping duties, which are significantly lower (about 15 percent) than the C&F prices of the other (non-dumped) imports. As anti-dumping duty rates are ranging from 14.98 percent to 18.57 percent (paragraph 5 supra), therefore, termination of the anti-dumping duties will fetch landed cost of dumped imports of the product under review at a significant lower level than the landed cost of other imports. Therefore, there is a likelihood of price undercutting to be faced by the domestic industry if anti-dumping duties are terminated.

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22.4.2.3 On the basis of above information and analysis the Commission has determined that the domestic industry would likely face injury on account of price undercutting if the anti-dumping duties imposed on dumped imports of the product under review from the Exporting Countries are terminated.

22.4.3 Likely Effects on Price Depression

22.4.3.1 Following table shows prices of the domestic like product during original POI and the POR:

**Table - IX
Price Depression**

Year/Period	Domestic industry's price
(1)	(2)
Oct 14 - Sep15*	72
Jan - Dec 19	100
Jan - Dec 20	108
Jan - Dec 21	123

* POI of Original Investigation

Sources: the Applicants

Note: To maintain confidentiality, prices are indexed with respect to the domestic industry's price in Jan-Dec 19 as 100.

22.4.3.2 The above information shows that the prices of domestic like product increased after imposition of anti-dumping duties throughout the POR. The domestic industry was able to increase its price because dumped imports of the product under review, who were undercutting price of the domestic like product during the original POI, disappeared from the domestic market due to imposition of anti-dumping duties. As it is evident that there is likelihood of price under cutting if anti-dumping duties are removed (paragraphs 22.4.2 supra), therefore, to compete low priced dumped imports of the product under review the domestic industry will likely be forced to reduce price of the domestic like product.

22.4.3.2 On the basis of the above information and analysis, the Commission has concluded that there is likelihood of price depression if anti-dumping duties imposed on dumped imports of the product under review are terminated.

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22.4.4 Likely Effect on Price Suppression

22.4.1 Information/data on weighted average cost to make and sell and weighted average ex-factory price of the domestic like product during the period of original investigation and period of review are given in following table:

**Table-X
Price Suppression (Per unit)**

Year/ Period	Domestic like product's		Increase/(decrease) in:	
	Cost to make and sell	Ex-factory price	Cost to make & sell	Price
(1)	(2)	(3)	(4)	(5)
Oct 14 - Sep15*	81	79	3	13
Jan - Dec 19	100	110	--	--
Jan - Dec 20	99	119	(1)	9
Jan - Dec 21	120	136	21	16

* POI of Original Investigation

Sources: the Applicants

Note: To maintain confidentiality, figures are indexed with respect to the domestic like product's cost to make and sell in Jan-Dec 19 as 100.

22.4.4.2 The above table shows that the domestic industry did suffer price suppression in the original POI because due to price undercutting it could not fully recover increased cost. But, after imposition of anti-dumping duties the domestic industry did not face price suppression except in the year 2021, however, increase in price lower than the increase in cost in this year was enough to earn reasonable profit. Thus, the price suppression in 2021 was not a material injury to the domestic industry.

22.4.3 As there is likelihood of price undercutting and price depression if anti-dumping duties imposed on the product under review expire (paragraphs 22.4.2 and 22.4.3 supra), therefore, there is likelihood that the domestic industry will not be able to recover increased cost to make and sell of the domestic like product if anti-dumping duties are removed on dumped imports. Thus, there is likelihood of price suppression to be faced by the domestic industry in case anti-dumping duties on dumped imports are terminated.

22.4.4.4 On the above information and analysis the Commission has concluded that there is likelihood of injury to the domestic industry on account of price suppression if anti-dumping duties are terminated on imports of the product under review.

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22.5 Likely Effects in Sales and Market Share

22.5.1 The sales made by the domestic industry and the market share of domestic industry in the domestic market during the period of original investigation and period of review are given in the table below:

**Table - XI
Sales and Market Share**

Year	Domestic Industry's share		Dumped imports' share		Other imports' share		Total Market	
	Volume***	%share	Volume	%share	MT	%share	Volume	%change**
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)=(2+4+6)	(9)
Oct 14 - Sep15*	54	79.02	14	20.79	0.13	0.19	68	--
Jan - Dec 19	99	98.80	1	0.5	0.75	0.75	100	48
Jan - Dec 20	100	99.39	-	-	0.68	0.68	101	0.06
Jan - Dec 21	105	99.94	-	-	0.06	0.06	105	4.65

* POI of Original Investigation ** % change vis-à-vis original POI Sources: the Applicants and PRAL

***Including sales of other units

Note: To maintain confidentiality, volume figures are indexed with respect to the total market in Jan-Dec 19 as 100.

22.5.2 The above table reveals that the share of domestic industry which was around 79 percent of total market during the period of original investigation increased significantly and almost entire domestic market is captured by the domestic industry because of imposition of the anti-dumping duties on dumped imports of the product under review and imports from dumped sources as well as other sources declined to the negligible level during the last year of POR.

22.5.3 As there is strong likelihood of significant increase in volume of imports of the product under review if anti-dumping duties are removed (paragraph 21 supra), resultantly there is a likelihood of significant increase in market share of dumped imports if the anti-dumping duty is removed/terminated, which adversely affect sales and market will share of the domestic industry.

22.6 Likely Effects on Installed Capacity, Production and Capacity Utilization

22.6.1 The following table shows the installed production capacity, production of the domestic like product and capacity utilization of the Applicants during the period of original investigation and period of review:

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**Table - XII
Production and Capacity Utilization (Volume)**

Year/ Period	Installed Capacity	Quantity Produced**	Capacity Utilization (%)
(1)	(2)	(3)	(4)=(3/2)
Oct 14 - Sep15*	73	51	70.04
Jan - Dec 19	100	90	89.59
Jan - Dec 20	103	92	89.93
Jan - Dec 21	105	93	87.73

* POI of Original Investigation

Sources: the Applicants

**Only for the Applicants

Note: To maintain confidentiality, figures of capacity and production are indexed with respect to the installed capacity in Jan-Dec 19 as 100.

22.6.2 The above table shows that installed capacity of the domestic industry has increased by 45 percent after imposition of anti-dumping duties on the product under review as compared to the installed capacity during the original POI. Similarly, production of the domestic like product increased up to 81 percent during the POR. Resultantly, capacity utilization also increased up to 90 percent during the POR besides a significant increase in production capacity.

22.6.3 As there is likelihood of significant increase in volume of imports of the product under review if anti-dumping duties are removed (paragraph 21 supra), which will result in increased market share of dumped imports, therefore, on the basis of the above information and analysis it is concluded that the domestic industry would likely face injury on account of production and capacity utilization on termination of the anti-dumping duties imposed on dumped imports of the product under review from the Exporting Countries.

22.7 Likely Effects on Profits

22.7.1 Net profits/(losses) of the Applicants during the period of original investigation and period of review are given in the following table:

**Table - XIII
Profit/Loss**

Year/Period	Profit/(Loss)
(1)	(2)
Oct 14 - Sep15*	(8)**
Jan - Dec 19	100
Jan - Dec 20	204
Jan - Dec 21	165

* POI of Original Investigation

Sources: the Applicants

** Only for M/s Century Paper and Board Mills as it was the sole applicant

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in the original investigation

Note: To maintain confidentiality, figures are indexed with respect to profit in Jan-Dec 19 as 100.

22.7.2 The above table illustrates that the domestic industry suffered a loss during POI of original investigation. However, after imposition of anti-dumping duties, the domestic industry became profitable and earned handsome profits during the POR. Domestic industry's profits slightly decreased during the last year of POR (2021). This decline in profits was due to slight price depression during 2021 (paragraph 22.4.4 supra), however, the domestic industry earned reasonable profits during 2021 as it earned about 13 percent over and above the cost to make and sell.

22.7.3 As there is likelihood that the domestic industry will face price effects (price undercutting, price depression and price suppression) if antidumping duties on the product under review are removed (paragraphs 22.4), therefore, the domestic industry would likely face injury on account of decline in profits and/or profitability on termination of anti-dumping duties imposed on dumped imports of the product under review from the Exporting Countries.

22.8 Likely Effects on Inventories

22.8.1 Inventory position of the domestic like product during the period of original investigation and period of review is given in the following table:

Table - XIV
Opening and Closing Inventory (Volume)

Period	Opening Inventory	Closing Inventory
(1)	(2)	(3)
Oct 14 - Sep15*	61***	46***
Jan - Dec 19	100	98
Jan - Dec 20	98	114
Jan - Dec 21	114	67

* POI of Original Investigation

Sources: the Applicants

** Only for M/s Century Paper and Board Mills as it was the sole applicant in the original investigation

Note: To maintain confidentiality, figures are indexed with respect to opening inventory in Jan-Dec 19 as 100.

22.8.2 The above table shows that closing inventory of the product under review increased during first year of POR i.e., Jan-Dec 19 as compared to the original POI, which further increased during the second year of POR i.e., Jan-Dec 20. However, during the last year of POR i.e., Jan-Dec 21, closing inventories saw a decline. This

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increase in closing inventories of the domestic like product was not the result of imports rather it was due to increase in production of the domestic like product.

22.8.3 Termination of the anti-dumping duties on dumped imports from the Exporting Countries would lead to likely increase in volume of dumped imports of the product under review, which would negatively affect production and sales of the domestic like product, therefore, termination of anti-dumping duties on dumped imports of the product under review would negatively affect inventories of the domestic like product of the domestic industry.

22.8.4 On the basis of the above information and analysis it can be said that the domestic industry would likely face injury on account of increase in inventories of the domestic like product if anti-dumping duties imposed on dumped imports of the product under review are terminated.

22.9 Likely Effect on Employment, Productivity and Wages

22.9.1 The data on employment in the domestic industry, productivity and the wages paid during the period of original investigation and period of review is given in following table:

**Table - XV
Employment, Productivity and Wages**

Year/Period	Number of employees	Salaries & wages (Value)	Production (Vol)	Productivity (Vol/worker)	Salaries & wages (Per unit)
(1)	(2)	(3)	(4)	(5)=(4/2)	(6)=(3/4)
Oct 14 - Sep15*	22**	43**	57**	263**	75**
Jan - Dec 19***	100	100	100	100	100
Jan - Dec 20***	99	114	103	105	110
Jan - Dec 21***	97	115	103	106	111

* POI of Original Investigation

Sources: the Applicants

** Only for M/s Century Paper and Board Mills as it was the sole applicant in the original investigation

***Only for the Applicants

Note: To maintain confidentiality, figures are indexed with respect to values/volumes in Jan-Dec 19 as 100.

22.9.2 The above table shows that after imposition of the anti-dumping duties, number of employees increased and productivity per worker improved during POR as compared to POI of original investigation. However, likely recurrence of dumping of the product under review would adversely affect employment and productivity of the domestic industry. Termination of the anti-dumping duties on dumped imports from

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the Exporting Countries would lead to likely increase in volume of dumped imports of the product under review, which would negatively affect production of the domestic like product, which would negatively affect productivity of the domestic like product of the domestic industry.

22.9.3 On the basis of the above information and analysis the Commission reached to the conclusion that the domestic industry would likely face injury on account of decrease in productivity if anti-dumping duties imposed on dumped imports of the product under review are terminated.

22.10 Likely Effect on Investment and Return on Investment

22.10.1 M/s. Century Paper & Board Mills Ltd. and M/s Bulleh Shah Packaging (Pvt.) Ltd are multi-product companies. Therefore, investment and return on investment of M/s. Century Paper & Board Mills Ltd. and M/s Bulleh Shah Packaging (Pvt.) Ltd are determined for whole company as it cannot be determined separately for each product. The information regarding the return on investment of the Applicants during original POI and the POR is given in the following table:

Table - XVI
Return on Investment

Year/Period	Return on investment (%)
(1)	(4)=(3/2)*100
Oct 14 - Sep 15*	2.06**
Jan - Dec 19	9.84
Jan - Dec 20	23.60
Jan - Dec 21	24.76

* POI of Original Investigation Sources: the Applicants

** Only for M/s Century Paper and Board Mills as it was the sole applicant in the original investigation

22.10.2 The above table shows that return on investment improved after imposition of anti-dumping duties on dumped imports of the product under review. The return on investment significantly increased from 2.06 percent in period of original investigation (Oct 14 - Sep 15) to 23.60 percent in 2020 and 24.76 percent in 2021.

22.10.3 As termination of the anti-dumping duties on dumped imports from the Exporting Countries would lead to likely increase in volume of dumped imports of the product under review, which would negatively affect production, sales, prices and profits of the domestic industry, therefore, termination of anti-dumping duties on dumped imports of the product under review would negatively affect return on investment of the domestic industry.

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22.10.4 On the basis of the above information and analysis it is concluded that the domestic industry may face injury on account of return on investment on termination of anti-dumping duties imposed on dumped imports of the product under review from the Exporting Countries.

22.11 Likely Effects on Cash Flow

22.11.1 Following table shows net cash flow position of the domestic industry during the period of original investigation and period of review:

**Table - XVII
Cash Flow**

Year/Period	(Values)
(1)	(2)
Oct 14 - Sep15*	29**
Jan - Dec 19	100
Jan - Dec 20	115
Jan - Dec 21	28

* POI of Original Investigation Sources: the Applicants

** Only for M/s Century Paper and Board Mills as it was the sole applicant in the original investigation.

Note: To maintain confidentiality, figures are indexed with respect to Cashflow in Jan-Dec 19 as 100.

22.11.2 After the imposition of anti-dumping duties, dumped imports from the Exporting Countries declined sharply to the negligible level. The domestic industry was thus able to generate sufficient cash flows during the period of review. Termination of anti-dumping duties on dumped imports from the Exporting Countries would lead to likely increase in volume of dumped imports of the product under review, which would negatively affect production and sales of the domestic like product, therefore, termination of anti-dumping duties on dumped imports of the product under review would negatively affect cash flows of the domestic industry.

22.11.3 On the basis of the above information and analysis it can be said that the domestic industry would likely face injury on account of decline in cash flows on termination of anti-dumping duties imposed on dumped imports of the product under review from Exporting Countries.

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22.12 Likely Effects on Growth and Investment

22.12.1 As stated earlier that the domestic market has increased significantly by 55 percent during the last year of period of review as compared to the period of original investigation and after imposition of anti-dumping duties the whole domestic demand is being met by the domestic industry. Further, the domestic industry has also started exporting Duplex Board (Table XIX). This shows that the domestic industry has demonstrated significant growth after imposition of anti-dumping duties. The domestic industry is of view that if anti-dumping duties expire on Duplex Board imported from Exporting Countries, it may have negative effect on investment and future growth of the domestic industry producing Duplex Board.

22.12.2 It is concluded that there is likelihood to suffer injury on account of growth and investment for the domestic industry if anti-dumping duties are terminated on dumped imports of the product under review.

22.13 Summing up Likely Recurrence or Continuation of Injury

On the basis of information and analysis at paragraphs above the Commission reached to conclusion that termination of the anti-dumping duties imposed on dumped imports of the product under review from the Exporting Countries would lead to likely recurrence of injury to the domestic industry on account of the following:

- (a) Likely increased volume of dumped imports of the product under review from the Exporting Countries;
- (b) Likely price undercutting, price depression and price suppression;
- (c) Likely decline in production, capacity utilization, sales and market share of the domestic like product; and
- (d) Likely negative effect on profits, cash flows, returns on investment, inventories, growth and investment and productivity of the domestic industry.

23 Other Factors

23.1 In accordance with Section 18(2) of the Act, the Commission also examined factors, other than dumped imports of the product under review, which could at the same time cause injury to the domestic industry, in order to ensure that possible likely injury

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caused by other factors is not attributed to the dumped imports of the product under review.

23.2 Section 18(3) of the Act states that the other factors which may be relevant for the purpose of examination may include the following:

- (a) volume and price of imports not sold at the dumped prices;
- (c) trade restrictive practices of and competition between foreign and domestic producers;
- (d) development in technology; and
- (e) export performance of domestic industry

23.3 Volume of Imports from Other Sources

23.3.1 Following table shows volume of imports of the product under review, and Duplex Board imported from other sources:

Table - XVIII
Volume of Imports and Domestic Industry's Sale (Volume)

Year/Period	Imports from			Domestic Industry's Sales	Total Market
	Dumped Sources	Other Sources	Total		
(1)	(2)	(3)	(4)	(5)	(6)
Oct 14 - Sep15*	14	0	14	54	68
Jan - Dec 19	1	1	1	99	100
Jan - Dec 20	-	1	1	100	101
Jan - Dec 21	-	0	0	105	105

* POI of Original Investigation

Sources: PRAL, the Applicants

Note: To maintain confidentiality, figures are indexed with respect to total market Jan-De 19 as 100.

23.3.2 The above table shows that despite sharp declined in volume of imports from dumped source during POR, imports from other sources marginally increased during the first year of POR and reduced in Jan-Dec 2020 and further declined to negligible level during the last year of POR. As entire domestic demand is served by the domestic industry, therefore, any imports of the product under review from the Exporting Countries as a result of termination of antidumping duties will only affect production, sales and prices of the domestic industry.

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23.4 Trade restrictive practices and competition between foreign and domestic producers

There was no such policy by the government during the period of review that have negatively affected the domestic industry and created distortion in the competitive environment for domestic industry vis-à-vis imports during the period of review.

23.5 Developments in Technology

According to the Applicants, there was no development in technology during the period of review that could lead to the material injury of the domestic industry.

23.6 Export Performance of Domestic Industry

After imposition of anti-dumping duties, the entire domestic demand of Duplex Board is being met by the domestic industry even the domestic industry was able to export some volume of product under review as it is evident from below table:

**Table - XIX
Domestic Sales and Exports* (Volume)**

Period	Domestic Sales	Export Sales
(1)	(2)	(3)
Oct 14 - Sep 15*	58	--
Jan - Dec 19	100	0
Jan - Dec 20	101	1
Jan - Dec 21	107	0

*Information relating to the Applicants only

Note: figures are indexed with respect to Domestic sales in Jan-Dec 19 as 100.

A. CONCLUSIONS

24. After taking into account all information, data and analysis the Commission reached to the following conclusions:

- (a) The Applicants filed an application for sunset review within prescribed time-period in accordance with Section 58(3) of the Act. The application was filed by the Applicants representing 59.65 percent of the domestic production of domestic like product during the period of review;
- (b) The product under review and the domestic like product are like products;

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- (c) There is likelihood of continuation and/or recurrence of dumping of the product under review from the Exporting Countries if anti-dumping duties imposed on dumped imports of the product under review are terminated because:
- (i) After imposition of anti-dumping duties, dumped imports of the product under review became uncompetitive and the exporters of the Exporting Countries stopped their exports of the product under review to Pakistan;
 - (ii) After imposition of anti-dumping duties on dumped imports its share in total imports diminished; and
 - (iii) Exporters/producers of the product under review from the Exporting Countries have surplus capacities, which would likely be used to export into Pakistan at dumped prices if anti-dumping duties are terminated.

25. If anti-dumping duties imposed on dumped imports of the product under review is terminated the domestic industry would likely suffer injury on account of the following:

- (a) increased volume of dumped imports of the product under review;
- (b) price undercutting, price depression and price suppression;
- (c) decline in production, capacity utilization, sales and market share; and
- (d) negative effect on profits/profitability, cash flows, return on investment and productivity of the domestic industry

B. CAUSALITY

26. On the basis of the information, analysis and conclusions, the Commission has concluded that there is relationship between likely continuation and recurrence of dumped imports of the product under review from the Exporting Countries and likely recurrence of injury to the domestic industry. It transpires from this review that the domestic industry is likely to suffer material injury in future in case anti-dumping duties imposed on dumped imports of the product under review are terminated.

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C. CONTINUATION OF DEFINITIVE ANTI-DUMPING DUTIES

27. In terms of Section 58(3) of the Act, definitive anti-dumping duty shall not expire if the Commission determines that the expiry of such anti-dumping duty would likely lead continuation or recurrence of dumping and injury.

28. In view of the information, analysis and conclusions in preceding paragraphs, the Commission has determined that the expiry of anti-dumping duty imposed on dumped imports of the product under review would likely lead to continuation and recurrence of its dumping and the domestic industry would suffer injury owing to the likely continuation of dumped imports of the product under review. The Commission has, therefore, decided to continue anti-dumping duties as per following rates for further five years effective from May 12, 2022.

Table - XX
Definitive Anti-Dumping Duty Rates

Country	Anti-dumping Duties Rates (%)
(1)	(2)
China	18.57
Indonesia	16.22
South Korea	14.98

29. In accordance with Section 51 of the Act, the anti-dumping duties shall take the form of *ad valorem* duty and be held in a non-lapsable personal ledger account established and maintained by the Commission for this purpose. Release of the dumped imports of the product under review for free circulation in Pakistan shall be subject to imposition of such anti-dumping duty.

30. Further, in accordance with Section 51(1)(e) of the Act, definitive anti-dumping duties will not be levied on imports of the product under review that are to be used as inputs in products destined solely for exports and are covered under any scheme exempting customs duty for exports under the Customs Act 1969.

30. Definitive anti-dumping duties levied would be in addition to other taxes and duties leviable on import of the product under review under any other law.

31. The definitive anti-dumping duties would be collected in the same manner as customs duty is collected under the Customs Act, 1969 (IV of 1969) and would be

(Non-Confidential)

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deposited in Commission's Non-lapsable PLD account No. 187 with Federal Treasury Office, Islamabad.

(Muhammad Saleem)
Member
October 28, 2022

(Anjum Assad Amin)
Chairperson
October 28, 2022