

NOTICE 2844 OF 2004**INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF
SOUTH AFRICA****TERMINATION OF INVESTIGATION INTO THE ALLEGED DUMPING OF
FORGED OR STAMPED, BUT NOT FURTHER WORKED, GRINDING BALLS
AND SIMILAR ARTICLES FOR MILLS ORIGINATING IN OR IMPORTED FROM
THE PEOPLE'S REPUBLIC OF CHINA (PRC)**

On 03 October 2003, the International Trade Administration Commission of South Africa (the Commission), formally initiated an investigation into the alleged dumping of forged or stamped, but not further worked, grinding balls and similar articles for mills, commonly referred to as forged grinding balls (subject products), originating in or imported from the People's Republic of China (PRC).

Notice of the initiation of the investigation was published in Notice No. 2522 of Government Gazette No. 25492 dated 03 October 2003. The application was lodged on behalf of the Southern African Customs Union (SACU) industry by Scaw Metals: A Division of Anglo Operations, which alleged that the dumped imports were causing material retardation of the establishment of the SACU industry.

The investigation was initiated after the Commission considered that there was sufficient evidence to show that the subject product was being imported at dumped prices, causing material retardation of the establishment of the SACU industry.

On initiation of the investigation, known producers and exporters of the subject product in the PRC were sent foreign manufacturers/exporters questionnaires to complete. The exporters in the PRC requested that they be granted market economy treatment. As a result, the market economy treatment (MET) questionnaires were sent to them for completion. Importers of the subject product were also sent questionnaires to complete.

On 19 May 2004, the Commission, after considering the responses from interested parties, made a preliminary determination that the subject products originating in or imported from the PRC were being dumped onto the SACU market and that the SACU industry was suffering injury. The Commission, however, made a preliminary determination that the inability of the applicant to capture sufficient market share, even though its selling prices were undercutting those of the imported subject products, sufficiently detracted from the causal link. The Commission, therefore, did not find a causal link between the dumped imports originating in or imported from the PRC and the injury experienced by the Applicant.

The Commission, therefore, made a preliminary determination to recommend to the Minister of Trade and Industry that the investigation into the alleged dumping of forged or stamped, but not further worked, grinding balls and similar articles for mills originating in or imported from the PRC, be terminated.

The Commission's detailed reasons for its decision were set out in Commission Report No.60 (preliminary report).

On 20 October 2004, after considering all parties' comments and representations in respect of the preliminary report and letters of essential facts, the Commission made a final determination that the subject products originating in the PRC and manufactured by Changshu Longteng Special Steel Co. Ltd and Pangang Group International Economic & Trading Company and exported into the SACU by Minmetals Australia (Pty) Ltd were not being dumped into the SACU market. As the Commission considered that there could be other manufacturers of the subject product in the PRC, a residual dumping margin was calculated.

The Commission also made a final determination that the establishment of the forged or stamped, but not further worked, grinding balls and similar articles for mills industry in the SACU was being materially retarded.

The Commission, however, confirmed its preliminary determination that the inability of the applicant to capture sufficient market share, even though its selling prices are undercutting those of the imported subject products, sufficiently detracted from the causal link. The Commission, therefore, did not find a causal link between the dumped imports originating in or imported from the PRC and the injury experienced

by the Applicant.

The Commission, therefore, decided to recommend to the Minister of Trade and Industry that the investigation into the alleged dumping of forged or stamped, but not further worked, grinding balls and similar articles for mills originating in or imported from the PRC, be terminated, which was accepted by the Minister of Trade and Industry.

The Commission's detailed reasons for its decision are set out in Commission Report No.82 (Final report).

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