

NOTICE 395 OF 2007**TERMINATION OF THE INVESTIGATION INTO THE ALLEGED DUMPING OF TYRES ORIGINATING IN OR IMPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA: FINAL DETERMINATION**

The International Trade Administration Commission of South Africa (the Commission) initiated an investigation into the alleged dumping of tyres originating in or imported from the People's Republic of China through Notice No. 1913 in Government Gazette No. 28150 on 28 October 2005.

The application was lodged by Brindis Remedies CC on behalf of the South African Tyre Manufacturers Association, (SATMC), (the Applicant), the industrial organization representing the manufacturers of the like product in the SACU. The Applicant alleged that the subject product was being dumped into the SACU market, causing material injury to the SACU industry.

The investigation was initiated after the Commission considered that there was *prima facie* evidence to show that the subject product was being imported at dumped prices, causing material injury to the SACU industry.

Upon initiation of the investigation, all known producers and exporters of the subject product in the PRC were sent foreign manufacturers/exporters questionnaires to complete. Importers of the subject product were also sent questionnaires to complete.

On 22 June 2006, the Commission made a preliminary determination that:

- The subject product is not being dumped by Aeolus, Triangel and Shandong Chengshan in respect of heavy commercial tyres, by Triangle, Giti, Shandong Chengshan, Kenda and Kumho in respect of passenger tyres and by Triangle, Shandong Chengshan, Kenda and Kumho, but is being dumped by other exporters onto the SACU market;

- The SACU industry is suffering material injury;
- There is a causal link between the dumping of the subject product and the injury.

The Commission decided to request the Commissioner for South African Revenue Service to impose provisional payments for a period of 26 weeks against the other exporters that did not respond.

On 28 July 2006, provisional payment were imposed on the imports of the subject product for a period of 26 weeks. On 20 October 2006, the period applicable for provisional payments was extended up to and including 26 April 2007.

All interested parties were invited to comment on the Commission's preliminary report. All interested parties were also informed of the "essential facts" being considered by the Commission for purposes of its final determination and were given an opportunity to comment.

After considering all the comments received from interested parties, the following dumping margins were calculated:

Exporter	Country of origin	Dumping margin expressed as a percentage of the fob export price		
		Passenger	Light truck	Heavy truck
Aeolus	PRC	42.61%(residual)	44.21% (residual)	15.84% negative
Triangle	PRC	16.1% negative	49.7% negative	0.07%
GiTi	PRC	1.6%	44.21% (residual)	26.2% (residual)
Shandong Chengshan	PRC	4.7% negative	4.3% negative	1% negative
Kenda	PRC	1.94%	0.87%	26.2% (residual)
Kumho	PRC	0.76%	1.27% (negative)	26.2 % (residual)
All other exporters	PRC	42.61%	44.21%	26.2%

The Commission found that the SACU industry is suffering material injury. However, the Commission found that factors other than dumping, including the volume of imports from the PRC at prices that are not dumped, caused injury and therefore detracted from the causal link between dumping and the material injury experienced by the SACU industry.

The Commission, therefore, decided to recommend to the Minister of Trade and Industry that the investigation into the dumping of tyres, originating in or imported from the PRC, be terminated.

The Commission's detailed reasons for its decision are set out in Commission Report No. 210 (final report)

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