

Itac applies cement duties on Pakistan

By [Mark Allix](#)

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The International Trade Administration Commission of SA (Itac) has imposed provisional antidumping duties of between 14.29% and 77.15% on Pakistani cement imports, up to and including 13 November 2015.



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This comes about 10 months after cement producers representing the industry in the Southern African Customs Union (Sacu) submitted an application to Itac saying they are suffering "material harm" from Pakistani cement dumping.

The companies comprise Afrisam, Lafarge, Natal Portland Cement Cimpor and PPC.

Dumping occurs when companies export goods to foreign markets at prices lower than the amount they charge for the same product in their home market.

"Pakistan's exports to its traditional markets are declining and imports from Pakistan into Sacu increased more than 600% between 2010 and 2013," Itac said on Friday. The commission made a preliminary determination that Portland cement originating in or imported from Pakistan was dumped into the Sacu market, causing material injury to the Sacu industry. Itac found the Sacu industry was suffering a decline in sales volume and output, as well as profits and cash flow. It had also experienced price undercutting and price suppression, it said.

Qamar Zaman, commercial secretary of the High Commission of Pakistan in SA, said the imposition of antidumping duties by Itac had "come as a surprise. This needs to be looked into (from a) larger perspective. Pakistan is the fourth-largest coal importer from SA and SA is by far the largest coal supplier to Pakistan.

"This coal is mainly imported by these cement manufacturers to prepare cement, which is being exported to many countries, including SA.

"Coal and cement both are voluminous products, which are freight-sensitive and Pakistan is located more than 8,000km away. If Pakistani companies can still compete in the South African market, it means there is something fundamentally wrong with the price structure of South African cement companies," Zaman said. He also said inspectors from the South African Bureau of Standards regularly visited Pakistani companies in SA and checked cement consignments for quality-control purposes, and "not a single complaint of quality has surfaced". The Sacu representatives had said in their application to Itac that they had suffered job losses, under-utilisation of cement production capacity and reduced returns on assets employed.

Source: Business Day via I-Net Bridge

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