

The Arab Republic of Egypt
Ministry of Trade and Industry
Trade Remedies Sector
Notice No. (10) of the year 2020
on the Initiation of an Expiry Review of the Definitive Anti-Dumping Duties
Imposed on
The Dumped Imports of Coated Electrodes of Base metal, for Electric Arc-Welding
Originating in or Exported from the People’s Republic of China&Turkey

Pursuant to the provisions of Law No. 161 of the year 1998 concerning the Protection of the National Economy from the Injurious Effects of Unfair Practices in International Trade and its Executive Regulation, issued by virtue of Ministerial Decree No. 549 of the year 1998 and the amendments thereof (hereinafter referred to as the “Regulation”),

And pursuant to Article (56) of the Regulation, the Minister of Trade and Industry approved on 23/12/2020, the recommendation of the Advisory Committee to initiate an expiry review and publish the Notice of Initiation in the Egyptian *Official Gazette*, in accordance with the provisions of Article No. (10) of the Regulation and in the light of the conclusions reached by the Trade Remedies Sector, hereinafter referred to as “The Investigating Authority” (the IA).

1. Procedures

On 23/11/2020, the IA received a properly documented request by the Egyptian Swedish Welding Electrode Co. and Bohler Egypt - Kadesia Engineering Industries (hereinafter referred to as “ the domestic industry”) to review the definitive anti-dumping duties imposed on the imports of Coated Electrodes of Base metal, for Electric Arc-Welding originating in or exported from the People’s Republic of China and Turkey. The companies alleged in the request that the expiry of duties would likely lead to the continuation or the recurrence of the dumping and injury suffered by the domestic industry.

The IA has examined the data contained in the review request and submitted on 22/12/2020 a report to the Advisory Committee which, in turn, submitted its recommendations to the Minister of Trade and Industry concerning the initiation of

an expiry review of the definitive anti-dumping duties imposed on the aforementioned product and the publication of the notice of initiation in the Egyptian *Official Gazette*.

2. Domestic Industry

The request is submitted by the Egyptian Swedish Welding Electrode Co. whose production constitutes 45% of the total domestic production and supported by Bohler Egypt - Kadesia Engineering Industries whose production constitutes 55% of the total domestic production. Therefore, both companies represent the domestic industry in accordance with Article (19) of the Regulation.

3. Product under Review

The product under review is Coated Electrodes of Base metal, for Electric Arc-Welding originating in or exported from the People's Republic of China and Turkey.

The product under review is classified under the following H.S. Tariff Code:

83 11 10

This description is the sole description of the product under review and the H.S. tariff code is mentioned for reference only.

4. Period of Review

The period of the review of the likelihood of continuation or recurrence of dumping is from 1/7/2019 to 30/6/2020.

The period of the review of the likelihood of continuation or recurrence of injury is from 1/1/2016 to 30/6/2020.

5. Likelihood of Continuation or Recurrence of Dumping

The data submitted by the domestic industry shows that there is dumping, and that the expiry of duties would likely lead to the continuation or recurrence of the dumping of the product under review.

6. **Likelihood of Continuation or Recurrence of Material Injury**

The analysis of the preliminary data submitted by the domestic industry shows that most of the indicators of the domestic industry improved during the period of duty imposition. The analysis shows also that the Chinese and Turkish imports are still present in the domestic market and the expiry of such duties would likely lead to the deterioration of the indicators of the domestic industry, which improved during the period of duty imposition. Therefore, there is a likelihood of the recurrence of the material injury, which had been suffered by the domestic industry, before the imposition of duties on the product under review.

7. **Current Anti-Dumping Duties**

The current duties are imposed by virtue of the Ministerial Decree No. (913) of the year 2016 at rates ranging from 30 % to 41 % of CIF value which is not less than 0.21 US Dollar per kilo to not less than 0.28 US Dollar per kilo for the Chinese companies, and ranging from 23 % to 58 % of CIF value which is not less than 0.36 US Dollar per kilo to not less than 0.095 US Dollar per kilo for the Turkish companies .

8. **Questionnaires and Collecting Information**

In order to obtain the information necessary for the investigation, the IA will send questionnaires to known foreign producers and exporters (and to unknown foreign producers and exporters through the Embassy of China and the Embassy of Turkey in Cairo).

Questionnaires will also be sent to the domestic industry and to the known importers of the product under review.

Unknown foreign producers, exporters and importers of the product under review shall make themselves known to the IA in order to receive a copy of the questionnaire within 30 days from the date of publication of this notice in the *Egyptian Official Gazette*.

All parties shall submit their responses to questionnaires to the IA within 37 days from the date of receipt.

9. **Sampling Techniques**

Pursuant to Article (24) of the Regulation, the IA may resort to apply the sampling technique in case of the existence of a large number of interested parties or of the products under review.

1) Sampling for Foreign Producers/Exporters

To enable IA to determine whether it is necessary to resort to the sampling technique, all foreign producers/exporters, or legal representatives acting on their behalf, are requested to contact the IA, and to provide the following information of their company or companies within 30 days from the date of publication of this notice in the Egyptian *Official Gazette*:

- Names, addresses, e-mail addresses, telephones, fax and contact person,
- Volume and value of sales of the product under review exported into Egypt by the countries under investigation during the period from 1/7/2019 to 30/6/2020,
- Volume and value of sales of the product under review sold in the Egyptian domestic market during the period from 1/7/2019 to 30/6/2020,
- Activities of the company with regard to the production and sale of the product under review,
- Names and precise activities of all related companies involved in the production and/or selling (export and/or domestic market) of the product under review, and
- Any other relevant information that would assist the IA in the selection of the sample.

By submitting all the above-mentioned information, the company concerned agrees to its inclusion in the sample, and if the company is selected as part of the sample, this implies replying to questionnaires and accepting a possible on-the-spot verification visit. If the company concerned is unwilling to be included in the sample, it will be deemed non-cooperating with the IA.

For the purpose of collecting information deemed to be necessary for the selection of the sample for the foreign producers/exporters, the IA may contact any known associations of producers/ exporters in the countries under investigation.

2) Sampling for Importers:

To enable the IA to determine whether it is necessary to resort to the sampling technique, all importers or legal representatives acting on their behalf, are requested to contact the Investigating Authority, and to provide the following information of their company or companies within 30 days from the date of publication of this notice in the *Egyptian Official Gazette*:

- Names, addresses, e-mail addresses, telephones, fax and contact person,
- Volume and value of sales of the product under review exported into Egypt by the countries under investigation concerned during the period from 1/7/2019 to 30/6/2020,
- Volume and value of sales of the product under review sold in the Egyptian domestic market during the period from 1/7/2019 to 30/6/2020,
- Activities of the company with regard to the production and sale of the product under review,
- Names and precise activities of all related companies involved in the production and/or selling (export and/or domestic market) of the product under review, and
- Any other relevant information that would assist the IA in the selection of the sample.

By submitting all the above-mentioned information, the company concerned agrees to its inclusion in the sample, and if the company is selected as part of the sample, this implies replying to questionnaires and accepting a possible on-the-spot verification visit. If the company concerned is unwilling to be included in the sample, it will be deemed non-cooperating with the IA.

For the purpose of collecting information deemed to be necessary for the selection of the sample for the importers, the IA may contact any known associations of importers.

3) **Final Selection of Samples**

All concerned parties concerned wishing to submit any relevant information regarding the selection of the samples shall do so within the specified time limits.

The Investigating Authority intends to make the final selection of the samples after having consulted the parties concerned that have expressed their willingness to be included in the sample.

Companies included in the samples shall reply to the questionnaire within the specified time limits in this notice and shall cooperate with the Investigating Authority.

10. **Hearings**

Pursuant to Article (25) of the Regulation, hearings may be held at the premises of the IA for all parties concerned and other interested parties to present their views and arguments, provided that they submit a written request to the IA that includes specific reasons as to why they should be heard. Parties may express their views orally during hearings; however, the IA will not take them into consideration unless later provided in writing. Parties concerned and other interested parties must express their wish to hold a hearing within a 21-day period from the date of publication of this notice in the Egyptian *Official Gazette*.

11. **On-the-Spot Verification Visits**

Pursuant to Article (26) of the Regulation, the IA may conduct verification visits to the premises of the interested parties to verify the accuracy of the information submitted and to collect any additional information or data required for the investigation.

12. **Time Limits**

For information on the time limits specified for the submission of information to the IA, sampling and hearings, please refer to points (8, 9 and 10) of this notice.

13. Non-cooperation

In case any interested party refuses access to or otherwise does not provide necessary information within the specified time limits which impedes the course of the investigation or provides inaccurate or misleading information, the IA will based on the best information available pursuant to Article (27) and (35) of the Regulation.

14. Public File

The Investigating Authority, in the course of the investigation, makes available all relevant non-confidential information submitted by the interested parties through its public file. This information is available for all interested parties at the premises of the IA in Cairo pending the final determination.

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