

# Case study : Polypropylene from Oman, Saudi Arabia & Singapore

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# Basic Issues

- De Minimis volume of imports
- Product Under consideration
- Normal Value for Saudi Arabia
- Calculation on a monthly basis

# De Minimis volume of imports

- Oman producers claimed exports from Oman are de minimis
- DGAD –
  - Examined Official Import Statistics (DGCIS Data)
  - Concluded ‘above de minimis’

# Product Under Consideration

- Initiation covered 2 types of polypropylene
  - Homopolymer
  - Copolymers of Propylene and Ethylene
- Singapore exporter had exported 'Terpolymers' also
  - Polymers of Propylene, Ethylene and Butene
- FF excludes Terpolymers

# Normal Value for Saudi Arabia

- Propane is the feedstock
- In the final findings India has
  - Ignored actual Propane prices in Saudi Arabia
    - 30% cheaper for domestic consumption as compared to exports
  - Replaced actual propane purchase price with export price of propane from Saudi Arabia to other countries

# Saudi producers claim ignored

- Report of the working party on Accession of SA to WTO quoted extensively
- Natural Gas Liquid prices discussed in RWP
- It said
  - No government control on propane prices
  - Domestic prices are negotiated between producer and consumer
  - Domestic producers give lower price because of
    - Savings in infrastructure costs for exports (storage constraints)
    - Savings in marketing for exports
    - Long term, year round, consistent, bulk supplies in domestic market
    - Short term, off and on, inconsistent, small volume supplies to export market

# India's views

- Normal value can be rejected : 'When because of the particular market situation... such sales do not permit proper comparison'
- SA costs did not reasonably reflect the costs associated with production and sale of PUC
- Prices of propane in SA are significantly lower than its export prices

# Calculation on a monthly basis

- Normal Value, export price and NIP were determined on a monthly basis
- Methodology gave raise to many anamolies



# Calculation methodology

	NV	EP	DM	LV	NIP	IM
Apr-08	100	80	20	110	105	-5
May-08	120	110	10	140	155	15
Jun-08	110	100	10	130	120	-10
			40			0
Jul-08	80	90	-10	120	130	10
			30			10