

The Arab Republic of Egypt
Ministry of Trade and Industry
Trade Remedies Sector
Notice No. (4) of the year 2020

Concerning the Initiation of an Anti-Dumping Investigation
Against the Dumped Imports of Machine Made Carpet and floor
coverings of man-made textile materials, whether or not made up
Originating in or Exported from 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 amendments thereof (hereinafter referred to as the "Regulation"),

On 25/6/2020, the Minister of Trade and Industry agreed on the Advisory Committee recommendations to initiate an investigation and publish a notice of initiation in the Egyptian *Official Gazette* in accordance with the provisions of Article (10) of the Regulation, and in light of the conclusions reached by the Trade Remedies Sector, (hereinafter referred to as the "Investigating Authority"),

1. Procedures

On 11/6/2020, the Investigating Authority received a properly documented application submitted by Oriental Weavers Carpet Company (hereinafter referred to as the "Domestic Industry") alleging that the imports of Machine Made Carpet and floor coverings of man-made textile materials, whether or not made up originating in or exported from Turkey were imported into Egypt at dumped prices and thereby causing material injury to the domestic industry.

The Investigating Authority accepted and registered the application after examining the accuracy and adequacy of the data contained therein. On 22/6/2020, the Investigating Authority notified the embassy of Turkey that the application was accepted.

On 22/6/2020, the Investigating Authority submitted a report to the Advisory Committee which in turn, submitted its recommendations to the Minister of Trade and Industry concerning the initiation of the investigation and the publication of the notice of initiation in the Egyptian *Official Gazette*.

2. Domestic Industry

The domestic industry producing the like product is Oriental Weavers Carpet Company whose production represents 50% of the total domestic industry, in accordance with the provisions of Article (19) of the Regulation.

3. Product under Investigation

The product under investigation is Machine Made Carpet and floor coverings of man-made textile materials, whether or not made up.

The product under investigation is classified under the following HS tariff code:

5702420000, 5703200000, 5703300000, 5703900090, 5705000000

4. Investigation Period

The dumping investigation period is from 1/1/2019 to 31/12/2019

The injury investigation period is from 1/1/2016 to 31/12/2019

5. Allegation of Dumping

The domestic industry based its allegation of the existence of dumping on a comparison between the export prices of the product under investigation imported from Turkey to Egypt with the selling prices of the product under investigation in the Turkish domestic market at the same level of trade. This comparison resulted in the existence of dumping margin for Turkey exceeding 2% of export price, which is not de minimus.

6. Allegation of Injury

The domestic industry alleged that the imports from the country under investigation were imported in significant volumes and at dumped prices causing material injury to the domestic industry. This material injury was represented in the following:

- An increase in imports in absolute terms and relative to production;
- Price undercutting by the dumped imports as compared with the price of the like product;
- An increase in the cost as a percentage of the selling price;
- A decline in the market share of the industry;
- A decline in the growth rate;
- A decline in profits.

7. Questionnaires and Collecting Information

In order to obtain information necessary for the investigation, the Investigating Authority will send questionnaires to known foreign producers and exporters (and to unknown foreign producers and exporters) through their Embassies in Cairo.

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

Unknown foreign producers, exporters and importers of the product under investigation shall make themselves known to the Investigating Authority 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 in order to submit their respective responses within the time limits.

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

8. Sampling Techniques

Pursuant to Article (24) of the Regulation, the Investigating Authority may resort to apply sampling technique in case of the existence of significant number of parties concerned or the products under investigation.

a) Sampling for Foreign Producers/Exporters

To enable the Investigating Authority to determine whether it is necessary to resort to sampling technique, all foreign producers/exporters, 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 such 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 investigation sold for export into Egypt during the period from 1/1/2019 to 31/12/2019.
- Volume and value of sales of the product under investigation sold in the Turkish domestic market by the concerned company during the period from 1/1/2019 to 31/12/2019.
- Activities of the company with regard to the production and sale of the product concerned;
- Names and precise activities of all related companies involved in the production and/or selling (export and/or domestic market) of the product concerned;
- Any other relevant information that would assist the Investigating Authority 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 a non-cooperating with the Investigating Authority.

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

(b) Sampling for Importers

To enable the Investigating Authority to determine whether it is necessary to resort to sampling, all importers, or legal representatives acting on their behalf, are requested to contact the Investigating Authority and to provide the following information concerning 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 numbers and contact person;
- The total volume and value of company's sales of the product concerned in the Egyptian market during the period from 1/1/2019 to 31/12/2019.
- Total number of employees during the period from 1/1/2019 to 31/12/2019.
- Activities of the company with regard to the product concerned;
- Volume and value of imports in L.E, that the company imported for the purpose of resale inside the Egyptian market during the period from 1/1/2019 to 31/12/2019.
- Names and precise activities of all related companies involved in the production and/or selling of the product concerned;
- Any other relevant information that would assist the Investigating Authority in the selection of the sample.

By submitting all the above-mentioned information, the company concerned agrees to its inclusion in the sample. If the company is selected as a 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 a non-cooperation with the Investigating Authority.

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

c) Final Selection of Samples

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

The IA shall make the final selection of the samples after conducting consultations with the interested parties who have expressed willingness thereof to be included in the sample.

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

In case of insufficient cooperation, the Investigating may resort to the best information available to conclude results.

9. Public Hearings

Pursuant to Article (25) of the Regulation, hearings may be held at the premises of the Investigating Authority for all interested parties and parties concerned to present their views and arguments, provided that they submit a written request to the Investigating Authority that includes specific reasons as to why they should be heard. 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.

10. On-the-Spot Verification Visits

In accordance with the provisions of Article (26) of the Regulation, the IA may conduct on-the-spot verification visits at the premises of the interested parties in order to verify the accuracy of the provided information and to obtain any other additional information that may be required for the investigation.

11. Time Limits

For the purpose of obtaining information on the time limit specified to submit the information to the IA, sampling technique and hearings, please refer to items (7, 8 and 9) previously mentioned in this notice.

12. Non-Cooperation

In cases where any interested parties decline to provide the necessary information within the specified time limits, impede the course of the investigation or provide inaccurate or misleading information, the Investigating Authority will establish its provisional or final findings based on the best information available in accordance with the provisions of Articles (27) and (35) of the Regulation of the Regulation.

13. Public File

The Investigating Authority shall, in the course of the investigation, make available all the relevant non-confidential information submitted by the interested parties through the

public file. This information shall be available for all interested parties and parties concerned at the premises of the IA in Cairo pending the final determination.

14. Provisional Measures

The IA may resort to the imposition of provisional measures in accordance with the provisions of Article (44) of the Regulation.

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