

DEPARTMENT OF TRADE AND INDUSTRY

APPLICATION OF CEMENT INDUSTRY

PUBLIC VERSION

ANTI-DUMPING CASE NO.: AD01-2021

DATE : 20 April 2021

**REPORT ON THE INITIATION OF AN
INVESTIGATION ON THE APPLICATION
FOR ANTI-DUMPING DUTY ON CEMENT
FROM VIET NAM**

REPORT ON THE INITIATION OF AN INVESTIGATION ON THE APPLICATION FOR AN ANTI-DUMPING DUTY ON CEMENT FROM VIET NAM

I. INTRODUCTION

This is a report to determine if there is basis to initiate an anti-dumping investigation on cement imported from Vietnam. The Department of Trade and Industry (DTI) received individual written applications for an anti-dumping investigation from Cemex Philippines, Holcim Philippines, Inc., and Republic Cement Builders and Building Materials, Inc., alleging that imports of cement originating from Viet Nam are being dumped and is causing injury to the domestic cement industry.

On 15 April 2021, after determining that the application is properly documented DTI accepted the application.

This report addresses the accuracy and adequacy of the petition to determine whether there is sufficient evidence to justify the initiation of an anti-dumping investigation on cement from Viet Nam.

II. THE PHILIPPINE CEMENT INDUSTRY'S PETITION

II.A Parties in the Petition

II.A.1. Domestic Industry

Section 3 (s) 4 of RA 8752 defines "domestic industry" as referring to the "domestic producers as a whole of the like product or to those of them whose collective output constitutes a major proportion of the total domestic production of that product, except when producers are related to the exporters or importers or are themselves importers of the allegedly dumped product, the term 'domestic industry' may be interpreted as referring to the rest of the producers."

Section 3 (b) paragraph 4 of RA 8752 further provides that "That application shall be considered to have been made "by or on behalf of the domestic industry if it is supported by those domestic producers whose collective output constitutes more than fifty percent (50%) of the total production of the like product produced by that portion of the domestic industry expressing either support for or opposition to the application. However, no investigation shall be initiated when domestic producers expressly supporting the application account for less than twenty-five percent (25%) of total production of the like product produced by the domestic industry".

The application was filed by the following cement manufacturers:

- **Republic Cement & Building Materials, Inc.**

Republic Cement is 99.4% owned by AEV CRH Holdings Inc. (includes shares held by nominee directors). Founded in 1955 by the Republic Cement Group, composed of Republic Cement & Building Materials, Inc., Republic Cement Iligan, Inc., Republic Cement Mindanao, Inc. and Republic Cement Services, Inc.. Plant location is in Barrio Minuyan, Norzagaray, Bulacan.

They produce other bagged cement such as Republic Portland Plus (Type 1P), Republic Portland Plus (Type 1P MH), Fortune (Type 1P), Wallmaster (Masonry Type N), Rapidset (Type 1) and Kapit-Balay Blended Cement (Type P). They also produce bulk cement such as Type 1 and Type II/Type II MH.

- **CEMEX – Solid Cement Corporation / Apo Cement Corporation**

CEMEX initially entered the Philippine market in 1997. Their cement manufacturing subsidiaries, Solid Cement in Antipolo City, Rizal and APO Cement in the City of Naga, Cebu, have been operating in the Philippines for over 20 years. They offer a broad product mix and work closely with other CEMEX companies to develop and introduce innovative products to the Philippine market. They also produce Gray Ordinary Portland Type 1): Brands – Island Portland Cement, APO Portland, Blended (Type 1P): Brands – Rizal Portland Super, APO Portland Premium and Masonry or Mortar: Brands – Rizal Masonry Cement (discontinued in 2018), APO Masonry Cement.

- **Holcim Philippines Inc.**

Shareholding structure: Union Cement Holdings Corp. 60.55%, B.V Holderfin 18.11%, Sumitomo Osaka Cement Co. Ltd 9.22%, Cemco Holding Inc 7.08%, Public 5.04%.

Holcim Philippines is also committed to the sustainable operations and manufacturing excellence with its manufacturing facilities in La Union, Bulacan, Misamis Oriental and Davao, as well as aggregates and dry mix business and technical support facilities for building solutions. Holcim Philippines is a reliable partner of builders in the country. The products they manufacture are OPC Type 1 Cement, Blended Cement and Type 1P Masonry Cement. They also produce aggregates such as Skim Coat and Tile Adhesive.

The petitioners meet the legal requirement to be considered a domestic industry since Cemex Philippines, Holcim Philippines, Inc., and Republic Cement Builders and Building Materials, Inc., output of like product constitutes 70% of the total domestic production of cement.

II.A.2. Importers and Exporters

Annexes A and B are the lists of importers and exporters of cement products during the period of the investigation.

II.B. Allegations

The domestic cement industry alleged that cement is being imported from Viet Nam at dumped prices. There was a substantial margin of dumping of cement from Viet Nam for the period July 2019 to June 2020 based on the domestic wholesale and export prices as gathered by the cement industry. The industry claimed that the dumped imports of cement began causing injury in 2019.

The industry stated that the key impact of dumping has been in the cement industry's declining revenues resulting to lower profitability. With declining prices and declining profit margins, the cement industry reduced its sales to price-sensitive customers as it was unable to match the unsustainably low prices offered by importers.

II. B.1 Documents Received

On 10 and 30 September and 01 October 2020, DTI received individual submissions from cement companies (i.e. Cemex Philippines, Holcim Philippines, Inc., and Republic Cement Builders and Building Materials, Inc.).

On 06 November 2020, DTI requested the industries to provide additional data and clarification on their submitted data, such as product description, domestic sales, production, inventory, profitability, etc.

On 20, 26 November and 04 December 2020, DTI received updated data on domestic sales volume, cost of production, employment, rated capacity, among others.

II.C. Country of Origin

Cement subject of the anti-dumping application originated from Viet Nam.

Section 1 of the IRR of RA 8752 provides: "The provisions of this Implementing Rules and Regulations (IRR) shall apply to any product which is imported into the Philippines at an export price less than its normal value in the ordinary course of trade for the like product when destined for consumption in the country of export or origin and which is causing or is threatening to cause material injury to a domestic industry, or materially retarding the establishment of a domestic industry producing the like product in the Philippines. x x x "

III. ROLE OF THE DTI UNDER RA 8752 (ANTI-DUMPING LAW)

III.A. Examination of Evidence to Justify Initiation of Investigation

In establishing that there is sufficient evidence to justify the initiation of investigation, the Secretary is guided by the provisions of Section 3 (b) paragraph 7 of RA 8752 and its Implementing Rules and Regulations which provides, "within five (5) working days from receipt of a properly documented application, the Secretary shall examine the accuracy and adequacy of the petition to determine whether there is sufficient evidence to justify the initiation of investigation. If there is no sufficient evidence to justify initiation, the Secretary shall dismiss the petition and properly notify the Secretary of Finance, the Commissioner of Customs, and other parties concerned regarding such dismissal. The Secretary shall extend legal, technical, and other assistance to the concerned domestic producers and their organizations at all stages of the anti-dumping action."

IV. THE PROCESS OF INITIATION OF INVESTIGATION

IV. A. Acceptance of the Petition

In accepting the petition of the Philippine cement industry, the Secretary is guided by Section 3.c.4 of the IRR of RA 8752 which provides, "The Secretary shall preliminarily screen the application if the following conditions are met:

- i. The application is signed;
- ii. All relevant questions are answered or the reasons for the absence of information are given;
- iii. The attachments to the application are complete; and
- iv. The application is supported by a sufficient part of the Philippine industry producing the like product.

The application shall be checked for consistency of the information provided against other information available. DTI shall clarify any unclear or ambiguous statement with the applicant.

As soon as the requirements are completed, DTI shall acknowledge in writing that it has accepted a properly documented application through a letter of the Secretary. The date of the letter shall be considered as day zero (0) of the five (5) days within which he is required to determine whether there is sufficient evidence to justify the initiation of an investigation. If the applicant decides to give the Secretary further information in support of an application, the five (5) day period herein mentioned shall recommence, from the date of the submission of the new information. After this period, the Secretary shall no longer entertain any information that may be provided by the applicant".

IV.B. Posting of Surety Bond

Section 3.c(2) of the IRR of RA 8752 provides that “upon the acceptance of a properly documented application, the Secretary shall require the applicant to post a surety bond to answer for any and all damages that the importer may sustain by reason of the filing of a frivolous petition. Failure to post the surety bond within ten (10) days shall result in the dismissal of the application”.

IV.C. Notice to the Country of Export or Origin

Section 5 of the IRR of RA 8752 provides, "upon his acceptance of a properly documented application and before proceeding to initiate an investigation, the Secretary shall notify the government of the country of export or origin about the impending anti-dumping investigation and provide it a copy of the non-confidential summary of the application. However, the Secretary shall refrain from publicizing the application for the initiation of the investigation before a decision has been made to do so."

IV.D. Decision to Initiate

Section 3.d.1. of the IRR of RA 8752 provides, “the Secretary shall, within five (5) working days from the date of his letter accepting the properly documented application referred to in Section 3.c.4, examine the accuracy and adequacy of the petition to determine whether there is sufficient evidence to justify the initiation of an investigation. The evidence of both dumping and injury shall be considered simultaneously a) in the decision whether or not to initiate an investigation, and b) thereafter, during the course of the investigation, starting at the earliest date when provisional measures may be applied.”

In assessing the sufficiency of evidence provided in the application, the Secretary will only satisfy himself that there is evidence that indicates dumping or the likelihood of dumping, and material injury based on the evidences submitted by the applicant.

If there is no sufficient evidence to justify the initiation of an investigation, the Secretary shall dismiss the petition and notify the Secretary of Finance, the Commissioner of Customs and other parties concerned regarding such dismissal.”

V. ANTI-DUMPING DUTY: PARAMETERS FOR EVALUATION

The Concept and Purpose of Anti-Dumping

Section 2 of RA 8752 provides, “it is hereby declared the policy of the State to protect domestic enterprises against unfair foreign competition and trade practices. Towards this end, substantive and procedural remedies available to domestic enterprises shall be strengthened and made responsive to recent developments in world trade.”

VI. THE EVIDENCE PRESENTED BY THE INDUSTRY

VI.A. The Product Subject to the Petition

As defined under Section 3 (s) 6 of R 8752, like product refers to “a product which is identical or alike in all respects to the product under consideration, or in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the product under consideration”.

VI.A.1. Domestic Product

a. Type 1 Ordinary Portland Cement and Type 1P Blended Cement

Type 1 cement is an Ordinary Portland Cement (OPC) which has 90%-95% clinker content and Type 1P cement is a blended cement using Portland cement and other natural mineral materials and has 70%-75% clinker content.

A Portland Type-1 cement especially made for high performance applications and highly engineered construction. It exceeds the strict standards of both Philippine National Standards (PNS) and American Society for Testing and Materials (ASTM) making it the brand of choice for mega structures. A Type 1P cement specially formulated and manufactured with natural minerals to provide additional properties not found in ordinary Portland cement. The natural mineral component ensures increased strength and durability over time.

b. Uses and Applications

b.1. Type 1

- High strength concrete designs with a minimal cement factor requirement (ready-mixed concrete)
- Projects with tight completion schedules
- Pre-cast and pre-stressed concrete
- Infrastructure: roads, dams, bridges, railway structures
- Mega-structures, high-rise buildings, and condominiums

b.2. Type 1P

- All-purpose cement for general construction applications, especially where structures are exposed to moderate sulfate environments or to chloride attack
- Roads, pavements, bridges, foundations, columns and slabs
- Pre-cast and pre-fabricated concrete products such as pipes, hollow blocks, pavers, floor and roof tiles
- Tanks, reservoirs, culverts, water pipes, and masonry units

c. Composition of Raw Materials

The major raw materials in the cement production are clinker, supplementary cementitious materials (SCM) and gypsum.

c.1 Product Specifications and National Standards Met

Product	Product Specifications and National Standards Met
Ordinary Portland/Type1	PNS 07:2005 ASTM CI50:2009
Blended/Type 1P	PNS 63:2006 ASTM C595:2009

d. Cement Manufacturing Process

RAW MATERIAL PREPARATION

1. QUARRYING

Limestone mined from quarries with MPSAs adjacent to plants.

2. CRUSHING

Size reduction of the rock boulders is performed in the crusher.

3. RAW MILLING

Proportioning drying, and grinding of the raw materials are accomplished in a mill.

4. HOMOGENIZING

The finely ground mis is stored and homogenized in the raw meal storage/blending silo.



CLINKER PRODUCTION

5. PREHEATING

The kin feed is dried and preheated gradually through a series of 5 cycles

6. BURNING

Raw meal is fed directly from the last stage of the preheater to the rotary kiln.

7. COOLING

The clinker formed during the sintering process then falls into the grate cooler.



CEMENT PRODUCTION

8. FINISH MILLING

Clinker and other Materials are extracted from their respective bins and fed to the mill to produce cement.

9. PACKING

From the storage silo, cement in conveyed the rotary packing machines Bulk cement directly discharged from the cement silo into bulk carriers/trucks.

e. Distribution Channels

XXX

VI.A.2. Imported Product

The allegedly dumped imported cement from Viet Nam are classified under the following AHTN codes:

Tariff Heading Map AHTN Code / Description			Applicable Tariff Rate (%)	
			MFN	ATIGA
25.23 Portland cement, aluminous cement, slag cement, super sulphate cement and similar hydraulic cement, whether or not coloured or in the form of clinkers	2523.29 -- Other	2523.29.90 --- Other	0	0
		2523.9000 - Other hydraulic cement	0	0

AHTN ASEAN Harmonized Tariff Nomenclature
MFN Most Favoured Nation
ATIGA ASEAN Trade in Goods Agreement

Based on data obtained from the Bureau of Customs, shipments coming from Viet Nam are described as Type 1 Portland cement conforming with ASTM C150.

IV.A.3. Comparison between Imported and Domestic Product

As defined under Section 3 (s) of RA 8752, like product refers to "a product which is identical or alike in all respects to the product under consideration, or in the absence of such a product, another product which, although not alike in all respects, has characteristics closely resembling those of the product under consideration".

It is necessary to compare the imported cement and the local product to determine whether they are like products. This is important in establishing whether the domestic industry can rightly claim relief or protection under the provisions of RA 8752 against the allegedly dumped imported product.

The following factors were considered in the determination of like products, i.e., physical characteristics (size, materials, chemical composition, etc.), method of manufacture, use of the product, industry specification and use, pricing, distribution and marketing and tariff classification, among others.

Based on the information available, the subject imported cement and those which are locally produced have the same uses and applications, made from the same raw materials, use similar production processes, same distribution channel and fall under the same tariff classifications. Thus, imported and domestically produced cement are like products as defined under section 3 (s) of RA 8752 and its IRR.

Further evaluation of the likeness of the product will be made during the preliminary determination upon submission of additional information by other parties.

VI.B. Period of Investigation

The period of investigation for dumping is from July 2019 to June 2020 while the period of investigation for injury is from 2017 to June 2020.

VI.C. Determination of Dumping Margins

Section 11 (a) of the IRR of RA8752 provides, “the Secretary and the Commission shall determine the existence of dumping by making a fair comparison between the export price and the normal value of the allegedly dumped product, covering all transactions for the allegedly dumped product during the period of investigation (POI). In general, the POI for the determination of the margin of dumping or price difference shall cover import transactions made at least six (6) months prior to the date of filing of the petition. Provided, however, that in some cases, the POI may be adjusted to cover a shorter period in order to take into account other considerations that will ensure the appropriateness of the chosen POI, e.g., seasonality of products, availability of data, drastic increase in the importation of the dumped product, or facility in the verification of data.

Section 11 b further provides, “the comparison shall be made at the same level of trade, normally at ex-factory level, and in respect of sales made at the same time or as near as possible to the date of exportation. Due allowance shall be made in each case for differences which affect price comparability including differences in conditions and terms of sale, taxation, levels of trade, quantities, physical characteristics and any other differences which are also demonstrated to affect price comparability.”

VI.C.1. Normal Value

Section 3 (s) 3 of RA 8752 provides, “Normal value refers to a comparable price at the date of sale of the like product, commodity or article in the ordinary course of trade when destined for consumption in the country of export.”

Section 3 (n) of RA 8752 further provides, "if the normal value of an article cannot be determined, the provisions for choosing alternative normal value under Article VI of GATT 1994 shall apply."

Cement industry submitted as evidence the normal value (wholesale domestic prices) or price information for cement from the manufacturers in Viet Nam. Specifically, the cement industry provided sales receipts and invoices that had been purchased by a third party that the industry had contracted. Also, the Philippine Trade and Investment Center-Thailand which covers Viet Nam provided information on the domestic prices of cement in Viet Nam. The reference exchange rate was sourced from Viet Nam as of May 2020.

a) Conversion of Normal Value from VND/Bag to US\$/MT

As provided by the PTIC, the normal value Viet Nam Dong per 50 kg bag (VND/50kg bag) was converted into US dollar per metric ton (US\$/MT) using the estimated conversion rate sourced from Viet Nam US\$ /VND (May 2020 Average based on "Mid Price) from <https://www.oanda.com/>: 23,356.

Table 1: Average Normal Value in US\$/MT

Cement Brand	Normal Value (Ex-Plant Price) US\$/MT
A	57.66
B	55.10
C	55.07
D	37.60
E	44.23
F	55.70
All Others Rate*	51.76

Note: * All Others Rate – average domestic ex-plant price of cement from Viet Nam

Table above is the computed normal value in US\$/MT as basis in the computation of dumping margin.

VI.C.2. Export Price

Section 3 (s) 2 of RA 8752 provides, “ Export price refers to (1) the ex-factory price at the point of sale for export; or (2) the F.O.B. price at the point of shipment. In cases where (1) or (2) cannot be used, then the export price may be constructed based on such reasonable basis as the Secretary or the Commission may determine.”

The export prices were derived from the electronic Single Administrative Document-Import Entry and Internal Revenue Document (SAD-IEIRD) generated thru the database of the Philippine Bureau of Customs.

VI.C.3. Comparison between Export Price and Normal Value

Section 3 (g) of RA 8752 provides, “[T]he Secretary or the Commission as the case may be, shall motu proprio terminate the investigation at any stage of the proceedings if the provisionally estimated margin of dumping is less than two percent (2%) of export price or the volume of dumped imports or injury is negligible.”

Section 3 (n) paragraph 2 of RA 8752 states, “If possible, an individual margin of dumping shall be determined for each known exporter or producer of the article under investigation. In cases where the number of exporters, producers, importers or types of products involved is so large as to make such determination impracticable, the Secretary and the Commission may limit their examination either to a reasonable number of interested parties or products by using samples which are statistically valid on the basis of information available to them at the time of the selection, or to the largest percentage of volume of exports from the country in question which can reasonably be investigated.”

In order to ascertain whether dumping exists, comparison must be made between the export price and normal value of the product. In the determination of dumping margins in the case, the corresponding transaction export price was compared with the relevant normal value stated above. Using the normal value endorsed by PTIC Thailand and export prices appearing in the available electronic BOC-SAD covering the period July 2019 to June 2020, the computed dumping margins for cement per Viet Nam Exporter are as follows:

Table 2: Computed Dumping Margins for Cement (July to December 2019)

EXPORTER	Weighted Average Dumping Margin (US\$/MT)	% of Weighted Average Export Price
An Viet Nam International	1.76	3.52
Halong Cement Joint Stock	2.02	4.06
Hungking Vietnam Company Limited	2.50	5.07
Nam Anh Trade and Export Joint Stock	1.75	3.49
TH Investment and Development Service	4.64	9.85
Thang Long Cement Joint Stock Company	5.36	10.66
Vicem Tam Diep Cement One	5.07	10.14

Source: BOC-SAD

For 2019 (July to December), dumping margins ranged from US\$1.75/MT to US\$5.36/MT or 3.49% to 10.66%.

Table 3: Computed Dumping Margins for Cement (January to June 2020)

EXPORTER	Weighted Average Dumping Margin (US\$/MT)	% of Weighted Average Export Price
An Viet Nam International	2.16	4.36
Campha Cement Joint Stock Comp	5.27	10.05
Halong Cement Joint Stock Co	2.87	5.88
Hungking Vietnam Company Limited	5.72	12.43
Long Son Company Limited Thanh Hoa Branch	2.19	4.41
Nam Anh Trade and Export Joint Stock	2.15	4.33
Nam Phuong Imex Import & Ex-	1.76	3.52
NCL Trading Joint Stock Company	1.66	3.31
Omanco Material Vietnam Company Limited	6.54	14.46
Thang Long Cement Joint Stock Company	5.70	11.40
Vicem Tam Diep Cement One	5.07	10.14
Vietnam Trading Services and Import-Export Limited Company	1.66	3.31

Source: BOC-SAD

For 2020 (January to June), the dumping margins ranged from US\$1.66/MT to US\$6.54/MT or 3.31% to 14.46%.

VI.D. Determination of the Volume of Dumped Imports

Section 3 (g) of RA 8752 states, "the Secretary or the Commission, as the case may be, shall motu proprio terminate the investigation at any stage of the proceedings, if the volume of dumped imports is negligible".

Section 3 (g) of RA 8752 and Section 9(b) of its IRR further provides, "the volume of the allegedly dumped products from a particular country shall normally be regarded as negligible if it accounts for less than three percent (3%) of the total imports of said product in the Philippines unless countries which individually account for less than three percent (3%) of the total imports of the said product in the Philippines collectively account for more than seven percent (7%) of the total imports of that product."

Table 4: Volume of Allegedly Dumped Imports of Cement from Viet Nam Relative to Philippine Imports (July 2019 to June 2020)

Sources	Volume in MT	
	July-Dec 2019	Jan-June 2020
Allegedly Dumped Imports from Viet Nam	619,980	1,557,422
Non-Dumped Imports from Viet Nam	944,295	742,390
Imports from Viet Nam	1,564,275	2,299,812
Imports from Other Sources	412,705	202,933
Total Philippine Imports	1,976,980	2,502,745
Allegedly Dumped Imports from Viet Nam as % of Total Philippine Imports	31.36	62.23

Source: BOC-SAD

The volume of dumped cement was computed based on the electronic BOC-SAD. The total volume of alleged dumped import was computed at 619,980MT or 31% of the total Philippine imports for July to December 2019 and has increased to 1,557,422MT or 62% of the total Philippine imports in Jan-June 2020.

The volume of alleged dumped cement product satisfies the *de minimis* volume requirement of three percent (3%).

VI.E. Evidence of Injury

Section 3 (i) paragraphs 1 and 2 of RA 8752 provides, "the presence and extent of material injury to the domestic industry, as a result of the dumped imports shall be determined on the basis of positive evidence and shall require an objective examination of, but shall not be limited to the following:

1. The rate of increase and amount of imports, either in absolute terms or relative to production or consumption in the domestic market;
2. The effect of the dumped imports on the price in the domestic market for like product, commodity or article, that is, whether there has been a significant price undercutting by the dumped imports as compared with the price of like product, commodity or article in the domestic market, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree; and
3. The effect of the dumped imports on the domestic producers or the resulting retardation of the establishment of a domestic industry manufacturing like product, commodity or article, including an evaluation of all relevant economic factors and indices having a bearing on the state of the domestic industry concerned, such as, but not limited to, actual or potential decline in output, sales, market share, profits, productivity, return on investments, or utilization of capacity; factors affecting domestic prices; the magnitude of dumping; actual and potential negative effects on cash flow, inventories, employment, wages, growth, and ability to raise capital or investments.

The extent of injury of the dumped imports to the domestic industry shall be determined by the Secretary and the Commission upon examination of all relevant evidence. Any known factors other than the dumped imports which at the same time are injuring the domestic industry shall also be examined and the injuries caused by these factors must not be attributed to the dumped imports. The relevant evidence may include, but shall not be limited to, the following:

1. The volume and value of imports not sold at dumping prices;
2. Contraction in demand or changes in consumption pattern;
3. Trade restrictive practices and competition between foreign and domestic producers;
4. Developments in technology; and
5. Export performance and productivity of the domestic industry".

VI.E.1.a. Price Undercutting

Price undercutting as defined in Section 2 (v) of the IRR of RA 8752 refers to the "extent at which the allegedly dumped product is consistently sold at a price below the domestic selling price of the like product". To establish the existence and extent of any price undercutting, the importer's (ex-warehouse) selling price of the imported product is compared with the price of the domestic product, usually at ex-factory level.

Table 6: Comparison between Landed Cost of Imports and Average Ex-plant Price of Domestic Product in 2019 and 2020 (Jan-June)

YEAR	** Ex-work Price of Domestic Industry (P / MT) (a)	*Wtd. Average Landed Cost of Imports from Vietnam (PhP/MT) (b)	% DIFFERENCE [(a-b)/b] x 100
2019	xxx	xxx	23.17
2020 (Jan-June)	xxx	xxx	24.05

Sources: *BOC – SAD

** Domestic Industry (CEMEX, Holcim and Republic)

Weighted average landed cost per MT of imports from Viet Nam in 2019 is 23% lower than the average ex-work price of domestic product. While in 2020 (Jan-June), weighted average landed cost per MT of imported cement from Viet Nam is 24% lower than the ex-work price of local cement. Imported cement from Viet Nam undercuts cement produced locally.

VI.E.1.b. Price Depression

Price depression usually occurs when prices are lower than those in a market unaffected by dumping, usually in a previous period. As provided in Section 2(t) of the IRR of RA 8752, "price depression reflects the extent at which the domestic producer decreases its selling price in order to compete with the allegedly dumped product".

Table 7: Average Ex-plant Price of Domestic Product

Year	Ex-work Price of Domestic Industry (P / MT)*	% INCREASE/ (DECREASE)
2017	100	-
2018	98	(2.18)
2019	100	2.64
2020 (Jan-Jun)	98	(2.86)

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

Table above reflects the domestic ex-work price of cement from 2017 to 2020 (Jan-June). During the POI, the domestic industry decreased their ex-work price in 2018 and 2020, indicating the presence of price depression.

VI.E.1.c. Price Suppression

Price suppression as defined in Section 2(u) of RA 8752 refers to "the extent by which the allegedly dumped product prevents the domestic producer from increasing its selling price to a level that will allow full recovery of its cost of production". It usually occurs when the company despite increases in cost (which normally should be translated into price increases) could not increase their prices to a level that will allow full recovery of its cost of production.

Table 8: Comparison between Average Ex-plant Price and Cost of Production of Domestic Product

Year	Average Ex-work Price*	Cost of Production*	Difference*	% Difference [(a-b)/b] x 100
	(P/MT)	(P/MT)	(P/MT)	
2017	100	100	100	50
2018	98	104	85	41
2019	100	106	88	41
2020 (Jan-Jun)	98	103	88	42

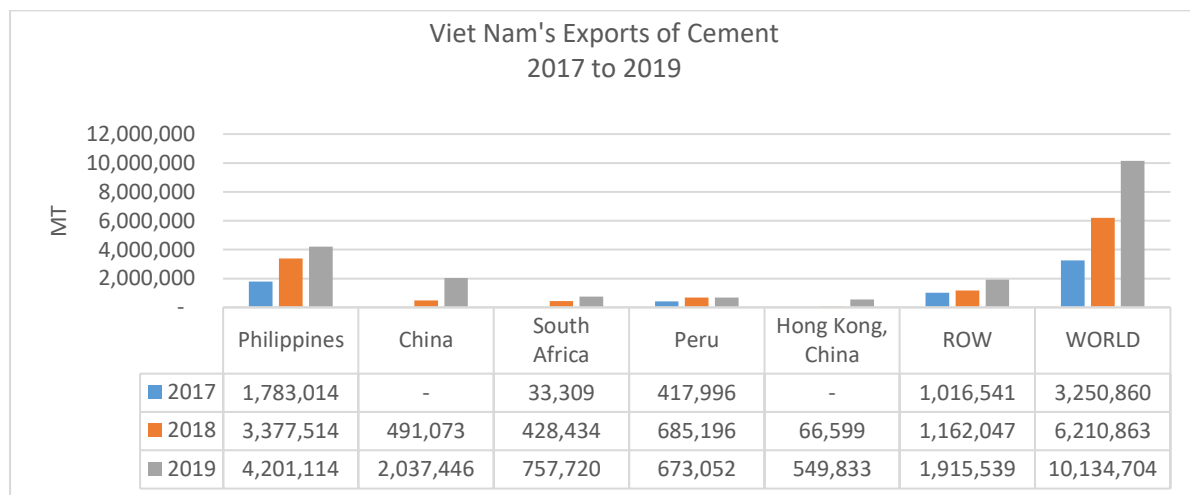
Source: Domestic Industry (CEMEX, Holcim and Republic)
*Figures indexed due to confidentiality

Table above presents the average ex-work price and the cost of production of locally produced cement from 2017 to 2020 (Jan-June). The domestic ex-work price recorded an erratic trend during the POI. While cost of production continue to increase from 2017 to 2019 but slightly declined in 2020 (Jan-June). Based on the data above, there is no evidence of price suppression for cement.

VI.E.2. Volume Effect

Article 3.2 of the Anti-Dumping Agreement and paragraph (i) subparagraph 1 of RA 8752, provides, "investigating authorities shall consider whether there has been a significant increase in dumped imports, either in absolute terms or consumption in the importing member."

Viet Nam's Exports of Cement



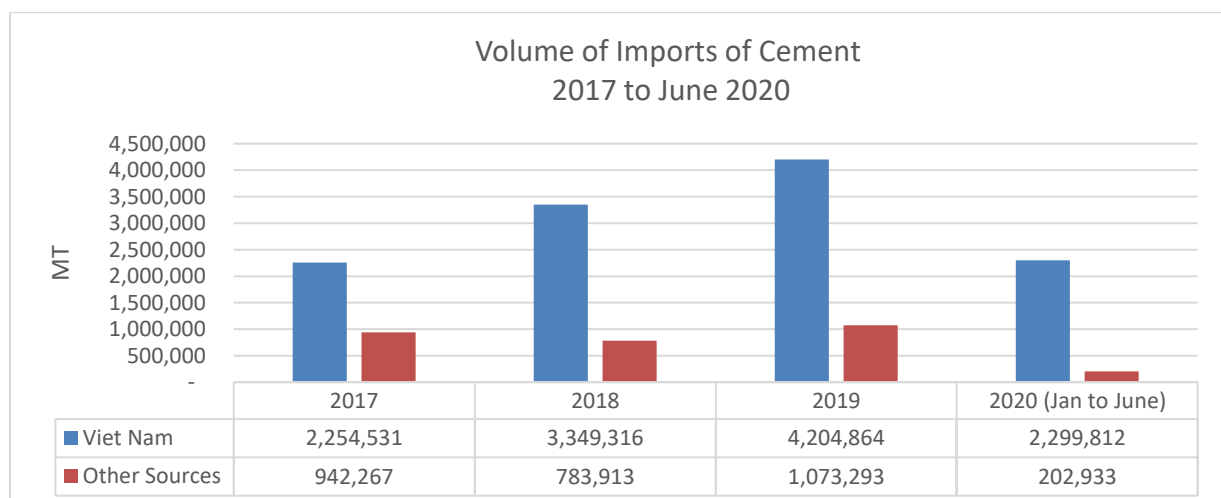
Note: Total Exports of Viet Nam to the Philippines (2017 to 2019) – 9,361,642MT

Source: Exports Volume - TH 25239000 Portland cement (excluding white, whether or not artificially coloured - Trademap

The Philippines is the top destination for cement exported by Vietnam. Compared to other countries, the growth rate of cement exports of Viet Nam to the Philippines showed an upsurge of 136% (from 1,783,014 MT 2017 to 4,201,114MT in 2019).

Vietnamese exports to the Philippine accounted for 48% of Viet Nam's world export during the POI.

VI.E.2.a Absolute Terms – Cement



Source: Volume of Imports - Bureau of Customs, Single Administrative Document-Import Entry and Internal Revenue Document (SAD-IEIRD)

Table 9: Philippine Imports of Cement from 2017 to June 2020 (in MT)

SOURCES	2017	2018	2019	2020 (Jan to June)
Imports from Viet Nam (in MT)	2,254,531	3,349,316	4,204,864	2,299,812
Imports from Other Sources (in MT)	942,267	783,913	1,073,293	202,933
PROC	765,696	626,633	992,791	134,028
Indonesia	69,913	51,661	0.25	56,400
Thailand	106,602	81,537	29,601	12,500
United Arab Emirates	-	-	-	-
Republic of Korea	-	-	49,500	4.56
United States	-	-	0.04	0.14
Japan	-	-	-	-
Pakistan	56	24,082	1,400	-
Chinese Taipei	0.003	-	-	-
Total Philippine Imports (in MT)	3,196,797	4,133,230	5,278,157	2,502,745
% Change in:				
Viet Nam	-	49%	26%	-
Other Sources	-	-17%	37%	-
Philippine Imports	-	29%	28%	-
Imports from Viet Nam as % of:				
Other sources	239%	427%	392%	1133%
Total Philippine Imports	71%	81%	80%	92%

Source: Volume of Imports - (BOC SAD-IEIRD)

The volume of cement imported from Viet Nam exhibited an increasing trend during the POI. Between 2017-2018, imported cement from Viet Nam increased by 29% and further by 28% in 2019. According to the cement industry, Viet Nam has been a major threat to the Philippine market as a source of cheap cement imports.

Imports from other sources recorded a 17% decline in 2018 compared to 2017 level. The highest level of increase was recorded in 2019, at 37%. On the other hand, imports from Viet Nam as percentage to the total Philippine imports recorded an increasing trend. The lowest in 2017 at 71% and the highest in 2018 at 81%.

VI.E.2.b. In Relation to Philippine Market

Table 10: Philippine Market from 2017 to June 2020 (in MT)

SOURCES	2017	2018	2019	2020 (Jan to June)
Imports from Viet Nam (in MT)	2,254,531	3,349,316	4,204,864	2,299,812
Imports from Other Sources (in MT)	942,267	783,913	1,073,293	202,933
PROC	765,696	626,633	992,791	134,028
Indonesia	69,913	51,661	0.25	56,400
Thailand	106,602	81,537	29,601	12,500
United Arab Emirates	-	-	-	-
Republic of Korea	-	-	49,500	4.56
United States	-	-	0.04	0.14
Japan	-	-	-	-
Pakistan	56	24,082	1,400	-
Chinese Taipei	0.003	-	-	-
Total Philippine Imports	3,196,797	4,133,230	5,278,157	2,502,745
Domestic Sales*	100	107	102	42
Total Philippine Market*	100	110	111	47
Imports from Viet Nam as % of:				
Domestic Sales	xxx	xxx	xxx	xxx
Total Philippine Market	xxx	xxx	xxx	xxx

Source: Volume of Imports – BOC-SAD

Domestic Sales – Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

Over the three (3) year period, the Philippine market grew by 111%.

Domestic sales of cement increased by 7% in 2018, but declined by 5% in 2019.

Viet Nam's share of cement imports as against domestic sales showed an increasing trend during the POI. The highest level of share of imports from Viet Nam was recorded in 2018.

Likewise, the share of imports from Viet Nam to total Philippine market steadily increased from 2017 to 2020 (Jan to June).

VI.E.2.c. In Relation to Domestic Production

Table 11: Domestic Production of Cement Relative to Imports from Viet Nam - 2017 to June 2020 (in MT)

Sources	2017	2018	2019	2020 (Jan to June)
Viet Nam	2,254,531	3,349,316	4,204,864	2,299,812
Domestic Production*	100	106	99	41
Imports from Viet Nam as % of				
Domestic Production	xxx	xxx	xxx	xxx

Source: Volume of Imports – BOC-SAD

Domestic Production – Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

Table above shows the total imports of cement from Viet Nam as compared to the actual production of cement industry from 2017 to June 2020.

As imports of cement from Viet Nam grew over the period, the share of imported cement relative to domestic production continuously increased during the POI. The share of imports from Viet Nam relative to local production increased from 2017 to 2019.

For 2020 (Jan-Jun), share of imports from Viet Nam was xxx of domestic production.

VI.E.3. Economic Impact

Section 12 a (3) of the IRR of RA 8752 provides for an objective examination of "the effect of the importation of the dumped products on the domestic producers or the resulting retardation of the establishment of a domestic industry producing the like product, including an evaluation of all relevant economic factors and indices having a bearing on the state of the domestic industry concerned, such as, but not limited to, actual or potential decline in output, sales, market share, profits, productivity, return on investments, or utilization of capacity; factors affecting domestic prices; the magnitude of dumping; and actual and potential negative effects on cash flow, inventories, employment, wages, growth, and ability to raise capital or investments. This list is not exhaustive, nor can one or several of these factors necessarily give decisive guidance".

Section 12 (c) of the IRR of RA 8752 further provides, "the effect of the importation of the dumped products shall be assessed in relation to the domestic production of the like product by separate identification of that production based on such criteria as production processes, sales and profits. If such is not possible, the effect of the importation of the dumped products shall be assessed by the examination of the production of the narrowest group or range of products which includes the like product for which the necessary information is available."

VI.E.3.a. Domestic Sales

Table 12: Domestic Sales Volume and Value of Cement

Year	Sales Volume (MT)*	% Increase (Decrease)	Sales Value (Php Million)*	% Increase (Decrease)
2017	100	-	100	-
2018	107	6.95	105	4.61
2019	102	(4.98)	98	(6.03)
2020 (Jan-June)	42	40.85**	39	39.67**

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

**Percentage compared to the 2019 level

The table above shows an increase in sales volume and value by 7% and 5%, respectively in 2018. Despite the imposition of safeguard duties in 2019, sales volume and value declined by 5% and 6%, respectively. According to the domestic industry, imported cement from Viet Nam were sold at much lower prices further pushing prices downward.

In the first half of 2020, sales volume was 41% while sales value was 40% compared to the 2019 level. According to the domestic industry, imported cement from Viet Nam increased significantly from 2015 to 2019 which continued to the first half of 2020. Dumped imports from Viet Nam continuously preyed on the local market in spite of the economic downturn caused by the pandemic as evidenced by imports in the first 10 months of 2020 surpassing the 2019 import level. While the cement plants were on shutdown due to lockdown imposed by government, imported cement continued to arrive unabated.

VI.E.3.a. Market Share

Table 13: Market Share of Cement (in MT)

SOURCES	2017	2018	2019	2020 (Jan to June)
TOTAL PHILIPPINE MARKET (in MT)*	100	110	111	47
Domestic Industry Sales (in MT)*	100	107	102	42
Imports from Viet Nam (in MT)	2,254,531	3,349,316	4,204,864	2,299,812
Imports from Other Sources (in MT)	942,267	783,913	1,073,293	202,933
PROC	765,696	626,633	992,791	134,028
Indonesia	69,913	51,661	0.25	56,400
Thailand	106,602	81,537	29,601	12,500
United Arab Emirates	-	-	-	-
Republic of Korea	-	-	49,500	4.56
United States	-	-	0.04	0.14
Japan	-	-	-	-
Pakistan	56	24,082	1,400	-
Chinese Taipei	0.003	-	-	-
TOTAL PHILIPPINE IMPORTS (in MT)	3,196,797	4,133,230	5,278,157	2,502,745
% CHANGE IN				
Imports from Viet Nam	-	49%	26%	-
Imports from Other Sources	-	(17%)	37%	-
Total Philippine Imports	-	29%	28%	-
% SHARE IN THE PHILIPPINE MARKET				
Domestic Industry Sales	xxx	xxx	xxx	xxx
Imports from Viet Nam	xxx	xxx	xxx	xxx
Imports from Other Sources	xxx	xxx	xxx	xxx

Source: Volume of Imports – BOC-SAD

Domestic Sales – Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

The Philippine market for cement grew from 2017 to 2019.

In 2017, domestic industry sales of cement accounted for xxx of Philippine market. In 2018, the domestic industry sales dropped and further declined in 2019. For 2020 (Jan to June), domestic industry sales indicated a xxx share to the total Philippine market. The market share of the local producer was affected by the presence of allegedly dumped products from Viet Nam.

For the period 2017 to 2019, share of imported cement from Viet Nam to total Philippine market registered an increasing trend. It captured its highest level in 2019. While imports from other sources relative to Philippine market recorded a 3% to 4% share.

VI.E.3.d. Profit and Loss

Table 14: Operating Profit - Cement (in Million Pesos)

Particulars	2017	2018	2019	2020 (Jan-Jun)	% Increase (Decrease) (2017 vs.2018)	% Increase (Decrease) (2018 vs.2019)	% Compared to the 2019 level
Sales Revenue*	100	104	99	39	4.44	(4.91)	39.42
Cost of Goods Sold*	100	110	105	42	9.75	(4.55)	40.05
Gross Profit*	100	92	87	33	(7.90)	(5.92)	37.65
Operating Expenses*	100	99	74	32	(1.34)	(24.73)	42.50
Operating Profit*	100	72	125	36	(27.93)	72.80	28.81

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

The industry's sales revenue increased by 4% in 2018 but declined by 5% in 2019. Cost of goods sold likewise increased by 10% in 2018 but declined by 5% in 2019. In the first half of 2020, sales revenue and cost of goods sold is 39% and 40% compared to the 2019 level, respectively. The industry's gross profit declined year-on-year by 8% and 6% from 2017 to 2019. In the first half of 2020, gross profit is 38% compared to the 2019 level. According to the domestic industry, the declining gross profit is due to cost of production increasing at a much faster rate than sales revenue. In addition, sales revenue decline was driven by both lower sales volume (due to customers shifting to lower- price imports) and domestic industry's low price as they compete with these lower-price imports.

Operating profit declined by 28% in 2018 but increased by 73% in 2019. The increase in operating profit may be attributed to the decline of 25% in the operating expenses. However, operating profit in the first half of 2020 is 29% compared to the 2019 level. According to the domestic industry, the decline in profitability is mainly due to its inability to pass on the increase in production cost. While they have implemented significant cost reduction initiatives across operations, these were still insufficient to cover significant declines in revenues and capital investments made to improve overall operations.

Further, the domestic industry stated that the key impact of dumping has been on the declining revenues resulting to lower profitability. With declining prices and declining profit margins, the company reduced its sales to price-sensitive customers as it was unable to match the unsustainably low prices offered by importers.

VI.E.3.d. Return on Sales

Table 15: Return on Sales – Cement (in Million Pesos)

Particulars	2017	2018	2019	2020 (Jan-Jun)
Sales (Million)*	100	104	99	39
Operating Profit*	100	72	125	36
Return on Sales (%)	xxx	xxx	xxx	xxx
% Increase (Decrease)	-	(30.99)	81.72	(26.93)

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

Return on Sales (ROS) is a profitability ratio which provides insight into how much profit is being produced per peso of sales.

Return on Sales based on operating profit ranged from xxx to xxx during the POI. It declined by 31% in 2018, increased by 82% in 2019. In the first half of 2020, it declined by 27% based on the 2019 ROS.

VI.E.3.e. Cost of Production

Table 16: Cost to Produce for Cement (Peso/MT)

Particulars	2017	2018	2019	2020 (Jan-Jun)
Raw Materials	27.8	29.3	28.1	31.0
Direct Labor	4.6	4.4	4.7	5.9
Manufacturing Overhead	67.6	66.3	67.2	63.1
Cost to Produce per MT*	100	100	100	100
% Increase (Decrease)**	-	4.00	2.33	(3.66)

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures in percentage to the cost to produce per MT

**Computed based on the absolute figures of cost to produce per MT

The domestic industry's cost of production consisted of the following: (1) raw materials such as clinker, gypsum, etc.; (2) direct labor such as salaries and wages; (3) manufacturing overhead which includes power consumption, fuel, transportation, and communication, outside services, repairs, and maintenance, depreciation, etc. Since the cement industry is both capital and energy intensive, energy inputs such as fuel, coal and electricity represent about 70% of cement manufacturer's total cost.

During the POI, cost to produce per MT increased by 4% and 2% from 2017 to 2019. In the first half of 2020, it declined by 4%.

According to the domestic industry, production costs have been rising year-on-year, often times much higher than inflation in 2017 and 2019. This was primarily attributed to higher fuel and coal prices which affected power and freight rates which are key production costs in manufacturing cement. In addition, peso volatility has affected imported raw materials and other input costs.

VI.E.3.f. Actual Production

Table 17: Actual Production of Cement

Year	2017	2018	2019	2020 (Jan-Jun)
Production (MT)*	100	106	99	41
% Increase (Decrease)	-	5.95	(6.75)	41.58**

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

**Percentage compared to the 2019 level

Production volume followed the trend in sales with an increase of 6% in 2018 and a decline of 7% in 2019. In the first half of 2020, production is 42% compared to the 2019 level.

VI.E.3.g. Capacity Utilization

Table 18: Capacity Utilization for Cement

Year	Rated Capacity (MT)*	Actual Production (MT)*	Capacity Utilization Rate (%)	% Increase (Decrease)
2017	100	100	x x x	-
2018	100	106	x x x	5.48
2019	104	99	x x x	(9.50)
2020 (Jan-Jun)	57**	41	x x x	(24.74)

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

**based on the first half of 2020 Mill capacity

Capacity Utilization is computed using the consolidated mill capacity and production of cement.

The table above shows an increase in capacity utilization by 5% in 2018. However, it declined in 2019 by 10% and declined further by 25% in the first half of 2020.

According to the domestic industry, cement production is scheduled based on sales demand. Since demand for locally produced cement declined, they had to do economic stoppages despite investment in new mills. Thus, capacity is not fully optimized.

VI.E.3.k. Finished Goods Inventory

Table 19: Finished Goods Inventory - Cement

Year	Volume (MT)*	% Increase (Decrease)	Value (Php Million)*	% Increase (Decrease)
2017	100	-	100	-
2018	92	(7.75)	118	17.98
2019	106	14.41	97	(18.05)
2020 (Jan-Jun)	52	49.23**	64	66.02**

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

**Percentage compared to the 2019 level

Finished goods inventory volume decreased by 8% in 2018 and it increased by 14% in 2019. Finished goods inventory value increased by 18% in 2018 but declined by the same in 2019. In the first half of 2020, finished goods inventory volume and value is 50% and 66% compared to the 2019 level, respectively.

The cement industry does not have a policy of maintaining set inventory levels. They endeavor to maximize their ability to produce cement to utilize available storage capacity of its cement warehouse and silos. In addition, cement can only last six (6) months even with proper storage and handling conditions.

VI.E.3.h. Employment

Table 20: Employment and Labor Productivity

Year	No. of Employees*	Increase (Decrease)	Total Production (MT)*	Labor Productivity (employees/MT)	% Change
2017	100	-	100	xxx	-
2018	97	(3.22)	106	xxx	9.48
2019	95	(1.86)	99	xxx	(4.98)
2020 (Jan-Jun)	94	(1.35)	41	xxx	(57.85)

Source: Domestic Industry (CEMEX, Holcim and Republic)

*Figures indexed due to confidentiality

Employment declined during the POI year-on-year by 3%, 2% and 1% (1st half of 2020).

However, labor productivity increased in 2018 by 9% (due to increase in production) but declined in 2019 by 5%. In the first half of 2020, it declined by 58% (compared to the 2019 level) but is expected to increase as production still increase for the remaining half of the year.

VI.E.3.I. Ability to Raise Capital

According to the domestic industry, proliferation of traded imports makes it difficult to raise capital as volatile market conditions result in uncertainty over future cash flows. Decline in EBITDA is impacting the company's cash generation and the ability to generate an acceptable return on new investments. In addition, current share price trend, low return on invested capital performance which is below corporate expectations makes additional capital allocation for Philippines not a priority. This is impacting the ability to expand in the Philippines despite the positive outlook on future cement demand.

VI.E.3.J. Other Causes of Injury

According to the cement industry, based on their research, many neighboring cement exporting Asian countries have continued their cement manufacturing and distribution despite of the COVID-19 pandemic. With the increasing uneven playing field created by COVID-19 in favor of cement exported to the Philippines, the locally manufactured cement will succumb to significant capacity under utilization and will be unable to quickly resume and complete the necessary investments on plant efficiencies and capacities as committed to the Tariff Commission within the period Safeguard Measures is in effect. Most likely, the same situation is being experienced by other domestic cement manufacturers. These resonate as real threats to the loss of jobs to Filipino workers should cement imports be allowed to flourish in a domestic oversupply situation.

VII. CONCLUSIONS RELATING TO:

VII.A Determination of Like or Directly Competitive Product

- The product covered by the petition falling under AHTN Codes 2523.29.90 and 2523.90.00 for Type 1 and Type 1P cement use for high strength concrete designs with a minimal cement factor requirement (ready-mixed concrete), projects with tight completion schedules, pre-cast and pre-stressed concrete, infrastructure: roads, dams, bridges, railway structures, mega-structures, high-rise buildings, and condominiums, among others.

VII.B1. DUMPING FOR CEMENT

a) Dumping Margins

- Comparison between the export price and normal value of cement from Viet Nam for July to December 2019 indicated a dumping margin ranging from US\$1.75/MT to US\$5.36/MT or 3.49% to 10.66%. For January to June 2020, dumping margin ranging from US\$1.66/MT to US\$6.54/MT or 3.31% to 14.46%.

b) Volume of Allegedly Dumped Imports

- The volume of allegedly dumped cement from Viet Nam relative to Philippine imports accounted for 31% (July to Dec 2019) and 62% in 2020 (January to June). The import volume exceeds the *de minimis* volume requirement of 3%.

VII.B3. ECONOMIC FACTORS**a. Domestic Sales**

- Sales volume increased by 7% in 2018 but declined by 5% in 2019 despite the imposition of the provisional and definitive safeguard measure in the same year.
- Sales value increased by 5% in 2018 but declined by 6% in 2019.

b. Market Share

- Total apparent market for cement grew from about 22M MT in 2017 to 24M MT in 2019
- Share of domestic industry to total Philippine market significantly declined from 85% in 2017 to 75% in 2020 (Jan to June).
- Share of imports from Viet Nam captured 18% (2019) and 23% (2020 Jan-June) of the market while other sources recorded a minimal share (i.e., 2% to 4%).

c. Profits and Losses

- Sales revenue increased by 4% in 2018 but declined by 5% in 2019.
- Gross profits declined year-on-year by 8% and 6% from 2017 to 2019.
- Operating profits declined by 28% in 2018 but increased by 73% in 2019 which is due to the decline in operating expenses by 25%.

e. Return on Sales

- ROS based on operating profit ranged from xxx to xxx during the POI.

f. Cost of Production

- Cost to produce per MT increased by 4% and 2% from 2017 to 2019. In the first half of 2020, it declined by 4%.

g. Production

- Production volume increased by 6% in 2018 but declined by 7% in 2019.

h. Capacity Utilization

- Increased capacity utilization by 5% in 2018. However, it declined in 2019 by 10% and further by 25% in the first half of 2020.

i. Employment

- Employment declined during the POI year-on-year by 3%, 2% and 1% (1st half of 2020).

j. Productivity

- Productivity increased in 2018 by 9% (due to increase in production) but declined in 2019 by 5%. As of the first half of 2020, it declined by 56% but is expected to increase as production still increase for the remaining half of the year.

k. Inventories

- Inventories decreased by 8% in 2018 but increased by 14% in 2019.

VII.D. Ability to Raise Capital

- Proliferation of traded imports makes it difficult to raise capital as volatile market conditions result in uncertainty over future cash flows. Decline in EBITDA is impacting the company's cash generation and the ability to generate an acceptable return on new investments. In addition, current share price trend, low return on invested capital performance which is below corporate expectations makes additional capital allocation for Philippines not a priority. This is impacting the ability to expand in the Philippines despite the positive outlook on future cement demand.

VIII. CAUSATION

There are indications that the allegedly dumped imported cement from Viet Nam is the dominant cause of material injury to the domestic industry. The volume of dumped imports and significant dumping margins affected the operations of the local industry: Since 2019, despite the safeguard duty, the volume of dumped imports to Philippine cement imports from Viet Nam accounted for 31% in 2019 (July to Dec) and 62% in 2020 (Jan-June). A comparison between the export price and normal value of cement from Viet Nam for July to December 2019 indicated a dumping margin ranging from US\$1.75/MT to US\$5.36/MT or 3.49% to 10.66%. For January to June 2020, dumping margins ranged from US\$1.66/MT to US\$6.54/MT or 3.31% to 14.46%.

Another factor that contributed to the material injury suffered by the local industry is price undercutting which was determined at 23% in 2019 and 24% in 2020 (Jan-June). Price undercutting was computed based on the difference between the weighted average landed cost per MT of the imported product versus the ex-work price per MT of locally produced cement. Price depression was also recorded during the POI.

The domestic producer was not able to take advantage of the growth in demand during the POI. Market share of domestic product decreased during the POI from 85% in 2017 to 78% in 2019, as imports displaced share of domestic industry. The industry suffered loss of market share, declining domestic sales, production, utilization rate, reduction in employment, increased cost of production and inventory.

IX. RECOMMENDATION

On the basis of the information and documents submitted by the cement industry, there are indications that cement from Viet Nam is being dumped in the Philippines and, as a consequence thereof, the domestic cement industry suffered injury in terms of actual decline in market share, domestic sales, production, capacity utilization, employment, and profits.

X. DECISION

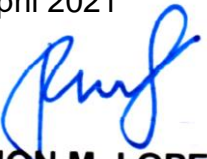

In light of the foregoing, the Department finds basis to initiate a preliminary anti-dumping investigation on cement imported from Viet Nam.

Let the notice of the initiation of the preliminary investigation to be conducted by the Department of Trade and Industry be published in two (2) newspapers of general circulation and let individual notices be sent to all interested parties including the country member concerned.

The official date of initiation of the investigation shall be the date on which the notice of initiation is published in two (2) newspapers of general circulation.

SO ORDERED.

20 April 2021


RAMON M. LOPEZ
Secretary 

I. LIST OF IMPORTERS

A. Identified by the Cement Manufacturers

1	A.F. UMEREZ ENTERPRISES
2	AAM POWER POLE TRADING CORP
3	AGGEMPLUX TRADING
4	BEI HAI IMPORT/EXPORT INC
5	BOHOL JSL ENTERPRISES INC
6	BRAVO CEMENT INC
7	BTA TOPLINE INC
8	CAPRIDRAKE DISTRIBUTORS INC
9	CDAVAO TRADING INC
10	CEBU GRAND DRAGON MARKETING CORPORATION
11	CEBU LITE TRADING INC
12	CHAMPION CEMENT INC.
13	COHACO MERCHANDISING AND DEVELOPMENT CORP
14	DAVAO MULTIBUILD CORP
15	DEQUINA CONSTRUCTION
16	E&A DEVELOPMENT AND CONSTRUCTION SUPPLY
17	EUREKA IMPORT TRADER
18	FORTEM CEMENT CORP
19	GLOBALINK EXIMPORT TRADING CORP
20	GOLDEN ORIENT SHIP MANAGEMENT AND AGENCIES INC.
21	HANSHIP INTERNATIONAL LOGISTICS INC
22	HARI WORKS CORP
23	HEXAMINDZ CORP
24	HEXETRADING CORP
25	ILOILO GRAND EMPEROR TRADING CORP
26	JCVINA ENTERPRISE
27	JROG MARKETING
28	KELLY BRYCE LOGISTICS INC
29	LTI ENTERPRISE
30	MARLUSA CONSTRUCTION SUPPLY
31	NGC LAND CORPORATION
32	OPENSEAS INC
33	PABAZA IMPORT & EXPORT INC.
34	PHILCEMENT CORPORATION
35	PHILFIRST GLOBAL MARKETING INC
36	RDSG TRADING

37	RIDEHA TRADERS CORP
38	S2A ENTERPRISES
39	SAYGIN CONSTRUCTION SUPPLY
40	SCG MARKETING PHILIPPINES INC
41	ST. JOHN PAUL COUNTERTRADE CORP.
42	SUMMIT KONCRETE PRODUCTS CORP.
43	TRU-STRENGTH CORPORATION
44	UNION GALVASTEEL CORP

B. Sourced from Bureau of Customs (BOC-SAD-IERD)

1	2ML EXCHANGE UNLIMITED CORPORATION
2	A.F. UMEREZ ENTERPRISES
3	ASHTONE CEMENT TRADING CORP.
4	AXXEL TRADING
5	BEI HAI IMPORT/EXPORT INC
6	BEI HAI IMPORT/EXPORT INC.
7	BOHOL JSL ENTERPRISES INC
8	BRAVO CEMENT INC
9	CAPRIDRAKE DISTRIBUTORS INC
10	CEBU LITE TRADING INC
11	CHAMPION CEMENT INC
12	COHACO MERCHANDISING & DEVT. CORP
13	COHACO MERCHANDISING AND DEVELOPMENT CORP
14	DEQUINA CONSTRUCTION
15	FENIX (CEZA) INT'L. INC.
16	FLECS ENTERPRISES
17	FORTEM CEMENT CORP
18	GLOBALINK EXIMPORT TRADING CORP.
19	GLOBAL-UPS INTERTRADE IMPEX CORP.
20	GOLDFIN INTERTRADE CO. LTD
21	HANSHIP INTERNATIONAL LOGISTICS INC
22	HARI WORKS CORP
23	HARI WORKS CORPORATION
24	HEXETRADING CORP
25	HEXETRADING CORPORATION
26	JCVINA ENTERPRISE
27	JESSE ROMANO N SUNGA
28	JYZ TRADING
29	KELLY BRYCE LOGISTICS INC
30	MARLUSA CONSTRUCTION SUPPLY
31	MCX MOTOR PHILS. INC.
32	NGC LAND CORPORATION

33	PABAZA IMPORT & EXPORT INC
34	PACIFIC-RIM HARVESTER INC
35	PARAGON HEMISPHERE INTL TRDG CORP
36	PHILCEMENT CORPORATION
37	RDSG TRADING
38	RIDEHA TRADERS CORP
39	RIDE'S ENTERPRISE
40	S2A ENTERPRISES
41	SCG MARKETING PHILIPPINES INC
42	ST. JOHN PAUL COUNTERTRADE CORP
43	SUMMIT KONCRETE PRODUCTS CORP.
44	TRIPLE-A HOMESOURCE INC.
45	UNION GALVASTEEL CORP
46	VMCT TRADING

I. LIST OF EXPORTERS

A. Identified by the Cement Manufacturers

1	CAMPHA CEMENT JOINT STOCK COMPANY
2	CHINFON CEMENT CORPORATION
3	THANG LONG CEMENT JOINT STOCK COMPANY
4	VICEM HAI PHONG CEMENT COMPANY LTD
5	VICEM TAM DIEP CEMENT ONE MEMBER CO LTD
6	VISSAI NINH BINH JOINT STOCK COMPANY
7	XUAN THANH CEMENT JOINT STOCK COMPA
8	VICEM HA LONG CEMENT

B. Sourced from the Bureau of Customs (BOC-SAD-IERD)

1	AN GIANG CONSTRUCTION ONE MEMBER
2	AN VIETNAM INTL TRADING CO LTD
3	BIG WAVE RESOURCES CO., LIMITED
4	BINH LOI CO., LD
5	CAMPHA CEMENT JOINT STOCK COMPANY
6	CAT LAN COMMERCIAL SERVICER JOINT S
7	CHINFON CEMENT CORPORATION
8	CHUYEN PHAT HE THONG
9	CONG THANH JOINT STOCK COMPANY
10	CONG TY TNHH TO TAY
11	FLC THANH HOA MINERAL JSC
12	HA LONG CEMENT JOINT STOCK COMPANY
13	HOUNG DUONG CEMENT JOINT STOCK COMP
14	HUNGKING VIETNAM COMPANY LIMITED
15	HUONG DUONG CEMENT JOINT STOCK COMP
16	INDOCHINA GLOBAL COMPANY LIMITED
17	JIN SUNG INTL PTE LTD
18	LE NGUYEN CONSTRUCTION TRADING
19	LONG SON COMPANY LIMITED THANH HOA BRANCH
20	LUKS CEMENT(VIETNAM) CO., LTD.
21	MCL EXIM PTE LTD
22	NAM ANH TRADE AND EXPORT JOINT STOC
23	NAM PHUONG IMEX IMPORT & EX-
24	NAMPHONG INTERNATIONAL
25	NCL EXIM PTE LTD
26	NCL TRADING JOINT STOCK COMPANY
27	NHUAN PHAT TST CO., LTD

28	OMANCO MATERIAL VIETNAM COMPANY LIM
29	PHUC SON CEMENT CO.LTD.
30	PP TRADING AND MANUFACTURING JOINT
31	SANKO PROGRESS MABIS CORPORATION
32	SCG INTERNATIONAL CORPORATION
33	SIAM VINA COMPANY LIMITED
34	SONG GIANH CEMENT COMPANY LTD
35	SONG GIANH CEMENT JOINT STOCK
36	TAY BAC TRADING AND IMPORT
37	TH INVESTMENT AND DEVELOPMENT SERVI
38	THANG LONG CEMENT JOINT STOCK COMPANY
39	THANH THANG GROUP CEMENT JOINT
40	UNION WAVE HOLDING CO.LTD
41	VICEM BUT SON CEMENT JOINT STOCK CO
42	VICEM CEMENT TRADING JOINT
43	VICEM HAI PHONG CEMENT COMPANY LTD
44	VICEM HA LONG CEMENT
45	VICEM TAM DIEP CEMENT ONE MEMBER CO LTD
46	VIET HP CEMENT JOINT STOCK COMPANY
47	VIET LIME MINERALS CO LTD
48	VIETNAM CEMENT INDUSTRY CORPORATION
49	VIETNAM TRADING SERVICES AND IMPORT EXPORT LIMITED COMPANY
50	VISSAI NINH BINH JOINT STOCK COMPANY
51	XUAN THANH CEMENT JOINT STOCK COMPA