

## **REPORT NO: 762**

**INVESTIGATION INTO THE ALLEGED DUMPING OF 3MM, 4MM, 5MM AND 6MM  
CLEAR FLOAT GLASS, CLASSIFIABLE UNDER TARIFF SUBHEADINGS  
7005.29.17, 7005.29.23, 7005.29.25 AND 7005.29.35, ORIGINATING IN AND/OR  
IMPORTED FROM THE UNITED REPUBLIC OF TANZANIA PRELIMINARY  
DETERMINATION**

The International Trade Administration Commission of South Africa herewith presents its **Report No. 762: INVESTIGATION INTO THE ALLEGED DUMPING OF 3MM, 4MM, 5MM AND 6MM CLEAR FLOAT GLASS, CLASSIFIABLE UNDER TARIFF SUBHEADINGS 7005.29.17, 7005.29.23, 7005.29.25 AND 7005.29.35, ORIGINATING IN AND/OR IMPORTED FROM THE UNITED REPUBLIC OF TANZANIA: PRELIMINARY DETERMINATION**



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**AYABONGA CAWE  
CHIEF COMMISSIONER**

**PRETORIA  
12 January 2026**

**INVESTIGATION INTO THE ALLEGED DUMPING OF 3MM, 4MM, 5MM AND 6MM CLEAR FLOAT GLASS, CLASSIFIABLE UNDER TARIFF SUBHEADINGS 7005.29.17, 7005.29.23, 7005.29.25 AND 7005.29.35 (“CLEAR FLOAT GLASS”), ORIGINATING IN AND/OR IMPORTED FROM THE UNITED REPUBLIC OF TANZANIA (“TANZANIA”): PRELIMINARY DETERMINATION**

**SYNOPSIS**

The application was lodged by PFG Building Glass (Pty) Ltd (“PFG” or “the Applicant”), the only manufacturer of the subject products in the SACU industry. The Applicant represents 100 percent of the SACU domestic industry in terms of production. The initiation notice for the investigation was published through Notice No. 3263 of 2025 in the *Government Gazette* No.52814 on 06 June 2025, and letters were sent to all known interested parties, known importers and exporters on the same date, informing them of the initiation of the investigation.

The investigation was initiated after the Commission considered that the Applicant submitted *prima facie* information to indicate that the subject products were being imported at dumped prices, causing material injury and a threat of material injury to the SACU industry.

Upon initiation of the investigation, the known producer/exporter of the subject products in Tanzania was sent foreign manufacturer/exporter questionnaire to complete. Importers of the subject products were also sent questionnaires to complete.

The Commission took all properly documented submissions and comments received from interested parties into account in making its preliminary determination. All non-confidential submissions and comments made by interested parties are contained in the Commission’s public file for this investigation and are available for perusal. It should be noted that this report does not purport to deal with every comment received and considered by the Commission. However, some of the more salient comments received from interested parties and the Commission’s consideration of these comments are included in this report.

After considering all interested parties' submissions and comments, the Commission made a preliminary determination that subject products originating in or imported from Tanzania are being dumped onto the SACU market, causing material injury and a threat of material injury to the SACU industry.

The Commission therefore decided to request the Commissioner for the South African Revenue Service ("SARS") to impose the following provisional measures on imports of the subject product for a period of 6 months:

<b>Country</b>	<b>Thickness</b>	<b>Tariff subheading</b>	<b>Rate of duty</b>
Tanzania	<b><i>KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	6,08%
	4 MM	7005.29.23	6,08%
	5 MM	7005.29.25	6,08%
	6 MM	7005.29.35	6,08%
	<b><i>All other manufacturers (excluding KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	25,88%
	4 MM	7005.29.23	25,88%
	5 MM	7005.29.25	25,88%
	6 MM	7005.29.35	25,88%

# **1. APPLICATION AND PROCEDURE**

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## **1.1 LEGAL FRAMEWORK**

This investigation is conducted in accordance with the International Trade Administration Act, 2002 (Act 71 of 2002) (the “ITA Act”) and the International Trade Administration Commission Anti-Dumping Regulations (“ADR”) read with the WTO Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (the “Anti-Dumping Agreement”).

## **1.2 APPLICANT**

The application was brought by PFG Building Glass, a division of PG Group (Pty) Ltd (“PFG Building Glass”) (“the Applicant”), the only manufacturer of the subject product in the SACU industry. The Applicant represents 100 percent of the SACU domestic industry in terms of production.

## **1.3 ACCEPTANCE OF APPLICATION**

The application was accepted by the Commission as being properly documented in accordance with Regulation 21 of the ADR on 09 May 2025. The trade representative of Tanzania was advised accordingly.

## **1.4 ALLEGATIONS BY THE APPLICANT**

The Applicant alleged that imports of the subject product, originating in or imported from Tanzania were being dumped on the SACU market, thereby causing material injury to the SACU industry. The basis of the alleged dumping was that the goods are being exported to SACU at prices less than the normal value in the country of origin.

The Applicant further alleged that as a result of the dumping of the subject product from Tanzania, it is experiencing material injury on the following indicators:

- (i) Price suppression;
- (ii) Price depression;
- (iii) Price undercutting;

- (iv) Sales volume;
- (v) Profit;
- (vi) Output volumes;
- (vii) Market share;
- (viii) Productivity;
- (ix) Return on investment;
- (x) Utilisation of production capacity;
- (xi) Net investments;
- (xii) Growth;
- (xiii) Net investments; and
- (xiv) Net cash flow.

The Applicant also alleged that there was a threat of material injury largely based on the available production capacity of Tanzanian exporters.

## **1.5 INVESTIGATION PROCESS**

The application was first submitted on 18 March 2025. A deficiency letter was sent to the Applicant on 31 March 2025. An updated application addressing deficiencies was submitted on 09 April 2025. A request to make changes to the hardcopy files was made on 23 April 2025 and the changes were made on 24 April 2025. The material injury information submitted by the Applicant was verified on 29 April 2025.

The diplomatic representative of Tanzania was notified of the Commission's receipt of a properly documented application in terms of Regulation 27.1 of the ADR.

The Commission initiated an investigation into the alleged dumping of 3mm, 4mm, 5mm and 6mm clear float glass, classifiable under tariff subheadings 7005.29.17, 7005.29.23, 7005.29.25 and 7005.29.35, originating in and/or imported from Tanzania through Notice No. 3263 of 2025 in the *Government Gazette* No.52814 on 06 June 2025.

On 06 June 2025 letters were sent to all known interested parties, known importers and exporters on the same date, informing them of initiation.

## **1.6 INVESTIGATION PERIODS**

The investigation period for dumping was from 01 December 2023 to 30 November 2024. The investigation period for material injury was 01 December 2021 to 30 November 2024, as well as information on a threat of material injury.

In this report the following periods will apply:

01 December 2021 to 30 November 2022 will be referred to as **2022**;

01 December 2022 to 30 November 2023 will be referred to as **2023**; and

01 December 2023 to 30 November 2024 will be referred to as **2024**.

## **1.7 PARTIES CONCERNED**

### **1.7.1 SACU Industry**

The SACU industry consists of PFG which constitutes 100 percent of the domestic production of the subject products in SACU.

### **1.7.2 Foreign Producer/Exporter**

A response to the Commission's exporter questionnaire was received on 28 July 2025 from Keda (Tanzania) Ceramics Company Limited ("Keda"), a manufacturer and exporter of the subject product.

The initial response received from Keda was found to be deficient. A deficiency letter was sent on 13 August 2025 and Keda was given 7 days to address deficiencies. Keda resubmitted its updated exporter questionnaire to the Commission on 20 August 2025, and this response was found to be verifiable. A pre-verification letter was sent on 16 September 2025, and the verification took place at Keda's premises in Tanzania from 24 to 26 September 2025.

The Commission made a preliminary determination to take the information submitted by Keda into account for purposes of its preliminary determination.

### 1.7.3 Importers

Responses were received from the following importers:

<b>Importer</b>	<b>Deficient</b>
Regalus Investments (Pty) Ltd (“Regalus”)	No
Sunbromate (Pty) Ltd (“Sunbromate”)	No
Alpha Aluminium Factory CC (“Alpha”)	No
Elephant Cement CC (“Elephant”)	No
Tritan Trade (“Titan”)	No

#### **Regalus Investments (Pty) Ltd (“Regalus”)**

Regalus submitted its response to the Commission’s importers questionnaire on 28 July 2025. A deficiency letter was sent on 18 August 2025. Regalus resubmitted its response to the Commission on 25 August 2025, and this response was found to be verifiable. A pre-verification letter was sent on 10 October 2025, and the verification took place at Regulas’ premises in Sandton on 17 October 2025.

#### **Sunbromate (Pty) Ltd (“Sunbromate”)**

Sunbromate submitted its response to the Commission’s importers questionnaire on 28 July 2025. A deficiency letter was sent on 18 August 2025. Sunbromate resubmitted its response to the Commission on 25 August 2025, and this response was found to be verifiable documented. A pre-verification letter was sent on 10 October 2025, and the verification took place at Sunbromate’s premises in Boksburg on 22 October 2025.

#### **Alpha Aluminium Factory CC (“Alpha”)**

Alpha submitted its response to the Commission’s importers questionnaire on 28 July 2025. A deficiency letter was sent on 19 August 2025. Alpha resubmitted its response to the Commission on 26 August 2025, and this response was found to be verifiable. A pre-verification letter was sent on 10 October 2025, and the verification took place at Alpha’s premises in Namibia on 24 October 2025.

#### **Elephant Cement CC (“Elephant”)**

Elephant submitted its response to the Commission’s importers questionnaire on 28 July 2025. A deficiency letter was sent on 19 August 2025. Elephant

resubmitted its response to the Commission on 26 August 2025, and this response was found to be verifiable. A pre-verification letter was sent on 21 October 2025, and the verification took place virtually on 27 October 2025.

### **Titan Trade (“Titan”)**

Titan submitted its response to the Commission’s importers questionnaire on 28 July 2025. A deficiency letter was sent on 21 August 2025. Titan resubmitted its response to the Commission on 28 August 2025, and this response was found to be verifiable. A pre-verification letter was sent on 14 October 2025, and the verification took place at its premises in East London on 20 October 2025.

The Commission made a preliminary determination to take the information submitted by Regalus, Sunbromate, Alpha, Elephant and Titan into account for purposes of its preliminary determination.

#### **1.7.4 Other Interested Parties**

The Applicant submitted comments on Keda’s response. In its comments the Applicant stated that it noted that Keda names Sapphire as the other known producer in Tanzania. Keda then supplied the physical address of the warehouse of Sapphire in Dar es Salaam, claiming it does not know the postal address, and is silent on the site of the plant of Sapphire in Mazomora, Tanzania.

The Applicant further stated that the unmarked Twyford Glass brochure to the Keda response where it is clearly stated on page 2 that Keda “operates two high-quality float glass production lines with a combined daily melting capacity of 1,100 tons...” (own emphasis). To substantiate this the Twyford Glass brochure shows on page 1 of the brochure the Keda plant, and on page two the Sapphire plant – the two production lines of Keda. Clearly, as Sapphire is part of Keda (Twyfords), then Keda would be aware of the postal address and production location of Sapphire. Clearly, Keda is trying to hide this fact. Further to substantiate the relationship, on page 13 of the Keda Industrial Group Co., Ltd 2024, Annual Report (attached) it is clearly stated that “During the Reporting Period, the Company’s Kisumu sanitary ware project in Kenya, the ceramics

project in Cameroon, and the glass project in Tanzania have been put into production. The ceramics project in Côte d'Ivoire and the glass project in Peru is being steadily constructed. At the same time, to promote regional integration and enhance market competitiveness, the Company completed the acquisition of a ceramics project and a glass project in Kenya and Tanzania, respectively.” (own emphasis).

The Applicant also stated that it is clear that the Sapphire factory is not cooperating with the Commission in this investigation and thus, notwithstanding the fact that it is part of Twyford, of which Keda is a subsidiary, the Commission must ensure when imposing a provisional payment or final anti-dumping duties that a residual duty must be imposed that would address the non-participating plants in Tanzania, being Sapphire. Feedback from customers in the glass market is that product produced on the Sapphire production line was initially exported to South Africa from the Sapphire plant. When the second float production line (Keda) started up in September 2024 glass from both float lines was exported to South Africa by the Keda entity.

### **Commission’s consideration**

The Commission considered that based on the group structure submitted by Keda as well as research online, there is no indication that Sapphire Glass and the Keda Group are related parties. In the brochure submitted, Twyford tile, Keda’s parent company stated that it operates two high-quality float glass production lines with a combined daily melting capacity of 1,100 tons, while a third line is currently under construction in Peru, South America. The second production line refers to the Keda production line in Zambia and not Sapphire glass as alluded to by the Applicant above.

## **1.8 PRELIMINARY DETERMINATION**

The Commission, after considering all responses from interested parties and based on best information available, made a preliminary determination that clear float glass of 3mm, 4mm, 5mm and 6mm clear float glass, classifiable under tariff subheadings 7005.29.17, 7005.29.23, 7005.29.25 and 7005.29.35

originating in and/or imported from Tanzania are being dumped onto the SACU market, causing material injury and a threat of material injury to the SACU industry.

The Commission therefore decided to request the Commissioner for SARS to impose the following provisional measures for a period of 6 months on the imports of 3mm, 4mm, 5mm and 6mm clear float glass originating in or imported from Tanzania, classifiable under tariff subheadings 7005.29.17, 7005.29.23, 7005.29.25 and 7005.29.35:

<b>Country</b>	<b>Thickness</b>	<b>Tariff subheading</b>	<b>Rate of duty</b>
Tanzania	<b><i>KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	6,08%
	4 MM	7005.29.23	6,08%
	5 MM	7005.29.25	6,08%
	6 MM	7005.29.35	6,08%
	<b><i>All other manufacturers (excluding KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	25,88%
	4 MM	7005.29.23	25,88%
	5 MM	7005.29.25	25,88%
	6 MM	7005.29.35	25,88%

## 2. PRODUCTS, TARIFF CLASSIFICATION AND DUTIES

### 2.1 IMPORTED PRODUCTS

#### 2.1.1 Description

The subject product of this application is clear float glass of a thickness of 3 mm to 6 mm (“the subject products”).

#### 2.1.2 Tariff classification

The subject product is imported under the following tariff headings:

Table 2.1.2

HS Tariff subheading	Description	Statistical unit	Rate of duty					
			General	EU/UK <sup>1</sup>	EFTA <sup>2</sup>	SADC <sup>3</sup>	MERCOSUR <sup>4</sup>	AfCFTA <sup>5</sup>
<b>70.05</b>	<b>Float glass and surface ground or polished glass, in sheets, whether or not having an absorbent, reflecting or non-reflecting layer, but not otherwise worked:</b>							
<b>7005.2</b>	<b>- Other non-wired glass:</b>							
<b>7005.29</b>	<b>-- Other:</b>							
7005.29.17	--- Of a thickness exceeding 2.5 mm but not exceeding 3 mm (excluding solar glass and optical glass)	m <sup>2</sup>	10%	Free	Free	Free	10%	5%
7005.29.23	--- Of a thickness exceeding 3 mm but not exceeding 4 mm (excluding solar glass and optical glass)	m <sup>2</sup>	10%	Free	Free	Free	10%	5%
7005.29.25	--- Of a thickness exceeding 4 mm but not exceeding 5 mm (excluding solar glass and optical glass)	m <sup>2</sup>	10%	Free	Free	Free	10%	5%
7005.29.35	--- Of a thickness exceeding 5 mm but not exceeding 6 mm (excluding solar glass and optical glass)	m <sup>2</sup>	10%	Free	Free	Free	10%	5%

1 European Union/United Kingdom

2 European Free Trade Association

3 Southern African Development Community

4 Southern Common Market (Argentina, Brazil, Paraguay and Uruguay)

5 African Continental Free Trade Area

### **2.1.3 Possible tariff loopholes**

The Applicant stated that the subject products can be imported and cleared as drawn glass classifiable under tariff subheading 7004.90.90, as has happened before when anti-dumping duties on float glass were circumvented by being cleared as drawn glass, as well as under tinted glass classified under tariff subheading 7006.21.

### **2.1.4 Production process**

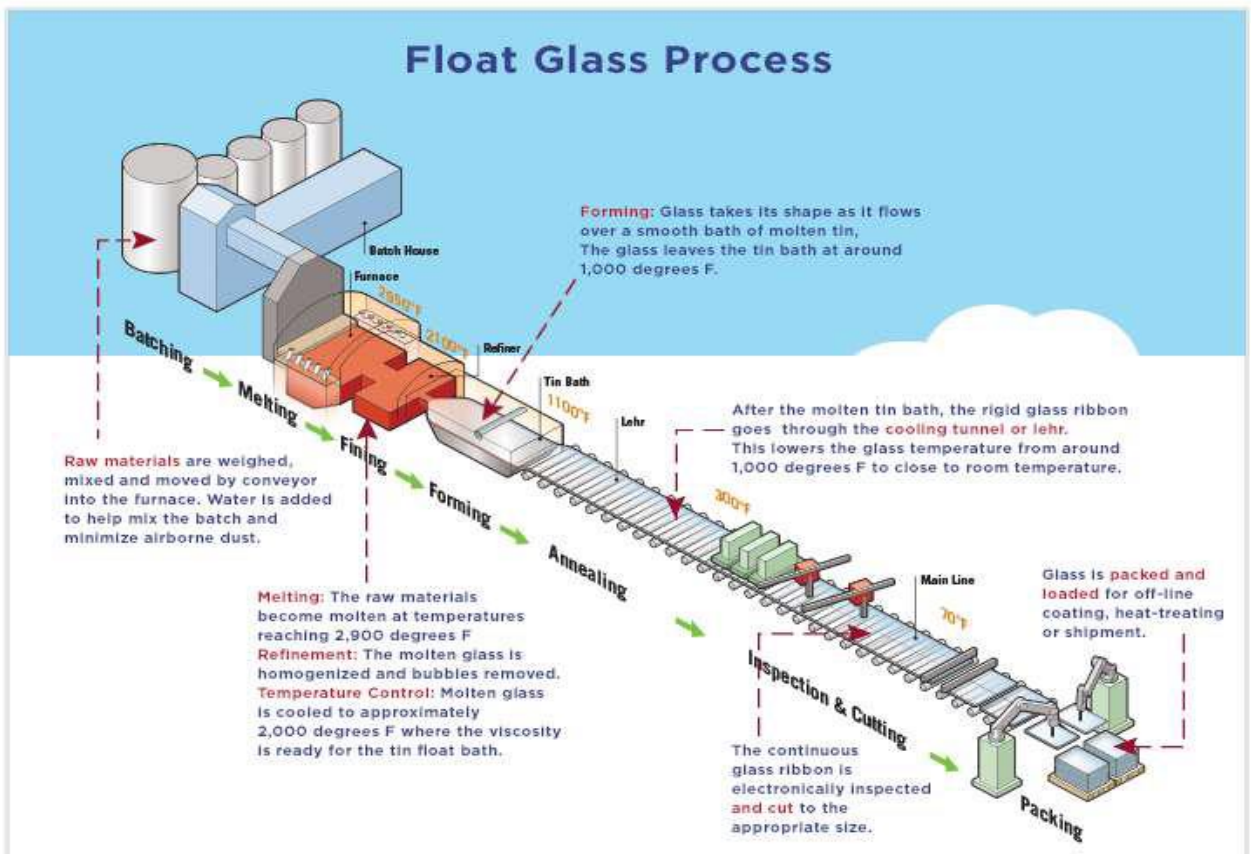
The raw materials such as silica sand, limestone, soda ash and dolomite are mixed and then heated at a temperature of over 1 500 °C. When the materials are melted, they form a viscous liquid called quiescent melt.

Clear float glass is then produced by floating molten glass onto a liquid tin bed and then cooling it. As this melt cools, the viscosity increases until the glass becomes hard. If the liquid cools too quickly, the glass does not have time to release stress. The process is done by heat treatment and is called annealing.

This is the latest technology used by manufacturers of flat glass in most countries around the world, and particularly throughout Europe, the Far East, the Middle East and the United States of America.

Please refer to the below diagram for the float glass production process, which process would be similar to other float glass production facilities' operations on a global scale.

Figure 2.1.4: Diagram of the production process



### 2.1.5 Negligibility test

Regulation 16.2 of the Anti-Dumping Regulations states as follows:

*“The volume of exports from a country shall normally be regarded as negligible if the volume of imports for the like product from that country is found to account for less than 3% of the total imports of the like product into the SACU market, unless countries which individually account for less than 3% of the total imports of the like product into the SACU market for the like product collectively account for more than 7% of the total imports of the like product into the SACU market”.*

The following table shows the alleged dumped imports as a percentage of the total imports.

**Table 2.15 (a): Import volumes 3MM**

<b>Clear float glass 3MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	1984	67%
Other imports	278	100%	604	100%	971	33%
<b>Total</b>	<b>278</b>	<b>100%</b>	<b>604</b>	<b>100%</b>	<b>2 955</b>	<b>100%</b>

**Table 2.1.5 (b): Import volumes 4MM**

<b>Clear float glass 4MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	3 610	72%
Other imports	826	100%	832	100%	1 399	28%
<b>Total</b>	<b>826</b>	<b>100%</b>	<b>832</b>	<b>100%</b>	<b>5 009</b>	<b>100%</b>

**Table 2.1.5 (c): Import volumes 5MM**

<b>Clear float glass 5MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	155	71%
Other imports	154	100%	255	100%	64	29%
<b>Total</b>	<b>154</b>	<b>100%</b>	<b>255</b>	<b>100%</b>	<b>219</b>	<b>100%</b>

**Table 2.1.5 (d): Import volumes 6MM**

<b>Clear float glass 6MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	187	49%
Other imports	669	100%	112	100%	198	51%
<b>Total</b>	<b>669</b>	<b>100%</b>	<b>112</b>	<b>100%</b>	<b>385</b>	<b>100%</b>

The Commission made preliminary determination that the imports from Tanzania are above the negligibility level.

## 2.2 SACU PRODUCT

### 2.2.1 Description

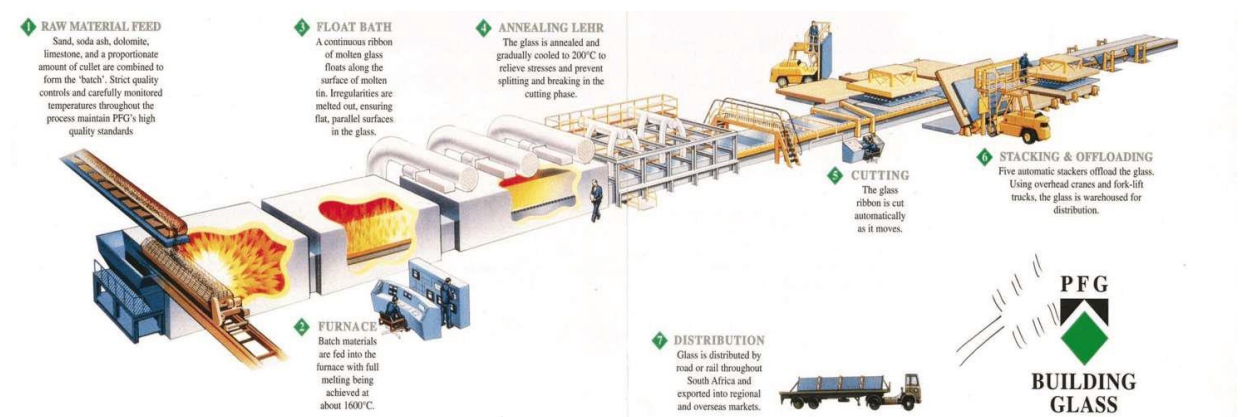
The Applicant described the SACU product as clear float glass of a thickness exceeding 2.5 mm, but not exceeding 6 mm thickness, divided into 3 mm, 4 mm, 5 mm and 6 mm thicknesses.

### 2.2.2 Production process

The production process in SACU is essentially the same as overseas as raw materials such as silica sand, limestone, soda ash and dolomite are mixed and then heated at a temperature of over 1 500 °C. When the materials are melted, they form a viscous liquid called quiescent melt.

Clear float glass is then produced by floating molten glass onto a liquid tin bed and then cooling it. As this melt cools, the viscosity increases until the glass becomes hard. If the liquid cools too quickly, the glass does not have time to release stress. The process is done by heat treatment and is called annealing.

As pointed out above, this is the latest technology used by manufacturers of flat glass in most countries around the world. Please refer to the diagram below setting out the float glass production processes of PFG Building Glass.



### 2.2.3 Application or end use

The Applicant stated that the SACU like product is predominantly sold in its existing form to glass merchants for general end use applications, such as residential glazing, architectural glazing (industrial and commercial), picture framing and furniture manufacture.

It is also used as a basic input for further processing to enhance the basic product into toughened (heat strengthened), laminated, mirror and automotive glass products for onward sale for use in the automotive, building, industrial and furniture markets.

### 2.2.4 Categories of users

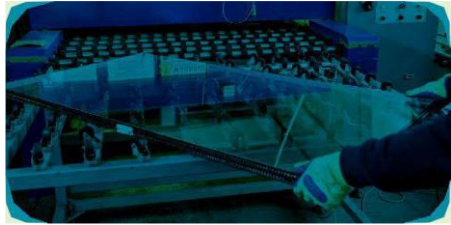
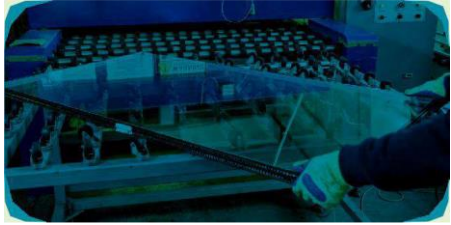
The Applicant stated that the SACU like product is predominantly sold in its existing form to glass merchants for general end use applications, such as residential glazing, architectural glazing (industrial and commercial), picture framing and furniture manufacture.

It is also used as a basic input for further processing to enhance the basic product into toughened (heat strengthened), laminated, mirror and automotive glass products for onward sale for use in the automotive, building, industrial and furniture markets.

## 2.3 LIKE OR DIRECTLY COMPETITIVE PRODUCTS ANALYSIS

In determining the likeness or directly competitiveness of the product the Commission uses the following criteria:

	<b>Imported product</b>	<b>SACU product</b>
Tariff Headings	7005.29.17, 7005.29.23, 7005.29.25 and 7005.29.35	7005.29.17, 7005.29.23, 7005.29.25 and 7005.29.35
Raw materials	Soda ash, silica sand, limestone, dolomite, electricity and gas.	Soda ash, silica sand, limestone, dolomite, electricity and gas.
Production process	The production process of the imported product is outlined in detail above.	The SACU product production process is outlined in detail above.

<p>Physical appearance</p>	<p>There were no catalogues found on World Wide Web of the Subject products from Tanzania. However, as the subject products are on the global basis similar in appearance, a brochure for generic reference that was obtained from the World Wide Web as a generic reference</p> 	<p>PFG Building Glass does not have an updated product brochure at present as the subject products are on a global basis similar in appearance, a brochure for generic reference that was obtained from the World Wide Web as a generic reference</p> 
<p>Technical Characteristics</p>	<p>Clear glass of various thicknesses is produced by the float process. The technical characteristics and appearance are a uniform thickness and bright polished surfaces, without the need for further grinding or polishing. The composition of glass is normally as follows: Silica (SiO<sub>2</sub>)-72%, Iron Oxide (Fe<sub>2</sub>O<sub>3</sub>)-0.09%, Alumina (AL<sub>2</sub>O<sub>3</sub>)-0.3%, Magnesium Oxide - 4.5%, Sodium Oxide -13.7%, Potassium Oxide -0.5%, Sulphur Trioxide-0.25% and Calcium Oxide (CaO)- 8.8%.</p>	<p>Clear glass of various thicknesses is produced by the float process. The technical characteristics and appearance are a uniform thickness and bright polished surfaces, without the need for further grinding or polishing. The composition of glass is normally as follows: Silica (SiO<sub>2</sub>)-72%, Iron Oxide (Fe<sub>2</sub>O<sub>3</sub>)-0.09%, Alumina (AL<sub>2</sub>O<sub>3</sub>)- 0.3%, Magnesium Oxide - 4.5%, Sodium Oxide -13.7%, Potassium Oxide -0.5%, Sulphur Trioxide-0.25% and Calcium Oxide (CaO)- 8.8%.</p>
<p>Categories of users</p>	<p>The imported product is sold in its existing form to glass merchants for general end use applications, such as residential glazing, architectural glazing (industrial and commercial), picture framing and furniture manufacture.</p> <p>As a basic input for further processing to enhance the basic product into toughened (heat strengthened),</p>	<p>The SACU product is sold in its existing form to glass merchants for general end use applications, such as residential glazing, architectural glazing (industrial and commercial), picture framing and furniture manufacture.</p> <p>As a basic input for further processing to enhance the basic product into</p>

	laminated, mirror and automotive glass products for onward sale for use in the automotive, building, industrial and furniture markets.	toughened (heat strengthened), laminated, mirror and automotive glass products for onward sale for use in the automotive, building, industrial and furniture markets.
Application or end-use	<p>The imported product is sold in its existing form to glass merchants for general end use applications, such as residential glazing, architectural glazing (industrial and commercial), picture framing and furniture manufacture.</p> <p>As a basic input for further processing to enhance the basic product into toughened (heat strengthened), laminated, mirror and automotive glass products for onward sale for use in the automotive, building, industrial and furniture markets.</p>	<p>The SACU product is sold in its existing form to glass merchants for general end use applications, such as residential glazing, architectural glazing (industrial and commercial), picture framing and furniture manufacture.</p> <p>As a basic input for further processing to enhance the basic product into toughened (heat strengthened), laminated, mirror and automotive glass products for onward sale for use in the automotive, building, industrial and furniture markets.</p>
Substitutability	The imported products are fully substitutable with the SACU products.	The SACU products are fully substitutable with imported products.

Taking the above into consideration, the Commission made a preliminary determination that the SACU product and the imported products are “like products”, for purposes of comparison in this investigation, in terms of the relevant provisions of the ADR.

### 3. INDUSTRY STANDING

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<b>Industry Standing</b>			
(Total domestic production of like goods for the 12 months preceding the lodging of the application)			
Producer	Production volume- Support Application (M <sup>2</sup> )	Production volume- Oppose application (M <sup>2</sup> )	Production volume- Neutral (M <sup>2</sup> )
PFG	100	None	None
Other producers:	0	None	None
Total SACU	100	None	None

\*The above table has been indexed due to confidentiality.

The Applicant stated that it is the only producer of the subject product and as such represents 100 percent of the SACU by production volume.

The Commission made a preliminary determination that the Application can be regarded as being made “by or on behalf of the domestic industry” and therefore, is eligible for initiation under the above provisions of the ADR.

## **4. DUMPING**

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### **4.1 METHODOLOGY IN THIS INVESTIGATION FOR TANZANIA**

#### **4.1.1 General**

##### **Volumes on the domestic market**

Section 8.3 of the ADR provides that:

“Domestic sales of the like product shall normally be considered to a sufficient volume to determine a normal value if such sales constitute five per cent or more of the sales volume of the product to the SACU. Sales representing less than 5 per cent of export sales to the SACU may nevertheless be deemed sufficient where such sales are of sufficient magnitude to provide a proper comparison.”

Keda’s domestic sales for 3mm, 4mm, 5mm and 6mm clear float glass represents more than 5 per cent of its export sales to the SACU, these sales were considered to be sufficient in volume to determine a normal value.

##### **Sales in the ordinary course of trade**

If more than 20% (by volume) of all sales of a particular product type or model took place at less than cost, such sales must be excluded in the determination of the normal value, and the normal value should be based on the weighted average price of all remaining sales.

Of Keda’s domestic sales, more than 20% (by volume) of all sales of 3mm, 4mm, 5mm and 6mm clear float glass were made above cost. Therefore, all sales were regarded as being made in the ordinary course of trade and thus included when calculating the respective normal values.

## **4.2 METHODOLOGY IN THIS INVESTIGATION FOR KEDA**

### **4.2.2 Calculation of the normal value**

Keda produces 3mm, 4mm, 5mm and 6mm clear float glass products amongst other products which it sold on the domestic market in Tanzania during the period of investigation. The actual invoiced sales were used to calculate the normal value.

Keda sells the subject products directly to traders and retailers. During verification it was found that Keda does not sell the subject products to any related parties in Tanzania.

#### **Adjustments to the normal value**

The adjustments to the normal value claimed by Keda were adjustments on delivery costs and cost of payment terms, as sufficient explanations and supporting documentation was provided to substantiate these adjustments.

The Commission made a preliminary determination to allow both adjustments.

### **4.2.2 Calculation of export price**

Regulation 1 of the ADR defines related parties as follows:

*"Related parties" are parties deemed to be related for purposes of an antidumping investigation, and sales may be considered not to be at arm's length, if --*

*(a) one directly or indirectly owns, controls or holds five per cent or more of the equity shares of the other;*

*(b) one has the power to directly or indirectly nominate or appoint a director to the management of the other;*

*(c) one is an officer or director of the others business;*

*(d) they are legally recognised partners in business;*

*(e) one is employed by the other;*

*(f) they are both directly or indirectly controlled by a third person;*

*(g) together they directly or indirectly control a third person;*

- (h) they appear to be related by virtue of their conduct;*
- (i) they are blood relatives or are related by marriage, common-law partnership or adoption; or*
- (j) if their relationship is otherwise of such a nature that trade between them cannot be regarded to be at arm's length.*

Keda to made majority of its sales to a related party, an importer and reseller of the subject products in the SACU. Keda and its related party are both subsidiaries of the same parent company, Twyford Tile based in the People's Republic of China. Based on sub-regulation (f) above, they are both controlled by the same party. Further to that, sales from Keda to its related party were not made at arm's length.

Regulation 10 of the ADR states that the export price shall be constructed under the following circumstances:

*10.1 Where -*

- (a) there is no export price at the time of importation; or*
  - (b) the exporter or the foreign producer and the importer are related; or*
  - (c) the invoiced export price appears to be unreliable for any other reason;*
- the export price may be constructed from the first point of resale to an independent buyer.*

*10.2 In constructing such export price the Commission shall deduct -*

- (a) all costs between the exporter and the importer; and*
- (b) a reasonable profit.*

*10.3 The reasonable profit contemplated in subsection 2(b) may be determined by calculating-*

- (a) the total cost of the producer/exporter;*
  - (b) the total cost of the importer, including all costs from the ex-factory export point of the producer/exporter; and*
  - (c) the total profit realised by both the producer/exporter and the importer;*
- and by allocating the profit in the same ratio as the costs incurred by the two parties. The reasonable profit allocated shall not be less than zero.*

The export price for 3mm, 4mm, 5mm and 6mm clear float glass sold by Keda to the export market was constructed as majority of the sales by Keda to the

SACU were made to its related importer and sales between Keda and its co-subsidiary were not made at arm's length as such the export price for all thicknesses was constructed.

### **Adjustments to the export price**

Keda claimed ocean freight and insurance, inland delivery and bank charges adjustments.

The Commission made a preliminary determination to allow the ocean freight and insurance and inland delivery adjustments, as sufficient explanations and supporting documentation was provided to substantiate these adjustments. The Commission made a preliminary determination to disallow the bank charge adjustment as no documentary proof was provided that the bank charges were determined at the time of setting the price.

Regulation 10.3 of the ADR states that:

*10.3 The reasonable profit contemplated in subsection 2(b) may be determined by calculating-*

*(a) the total cost of the producer/exporter;*

*(b) the total cost of the importer, including all costs from the ex-factory export point of the producer/exporter; and*

*(c) the total profit realised by both the producer/exporter and the importer; and by allocating the profit in the same ratio as the costs incurred by the two parties. The reasonable profit allocated shall not be less than zero.*

The export price was further adjusted for the related importer's SG&A expenses as well as the reasonable profit between Keda and it related party.

### **4.2.3 Margin of dumping**

A weighted average dumping margin of 6,08% was calculated for Keda

#### **4.3 METHODOLOGY IN THIS INVESTIGATION FOR ALL OTHER MANUFACTURERS/EXPORTERS (RESIDUAL DUMPING MARGIN)**

It is the general policy of the Commission to impose separate anti-dumping duties on specific exporters that responded to the questionnaire, and in addition, a residual duty against the country in question, to cater for other possible manufacturers of the subject product who might also have exported the subject product to the SACU, but did not participate in the investigation.

It is the practice of the Commission to use the highest, unadjusted, verified normal value and the lowest, adjusted, verified export price or SARS exports to determine the residual dumping margin. This information is usually obtained from the information submitted by participating exporters. Using this information, a weighted average dumping margin for all other exporters was calculated and amounted to 25,88%

#### **4.3 SUMMARY – DUMPING**

The Commission made a preliminary determination that dumping of the subject product originating in or imported from Tanzania is taking place.

## 5. MATERIAL INJURY

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### 5.1 DOMESTIC INDUSTRY – MAJOR PROPORTION OF PRODUCTION

The following injury analysis in this submission relates to the Applicant, who constitutes 100 percent of the total domestic production of the subject products.

The Commission must decide whether this constitutes “a major proportion” of the total domestic production, in accordance with the ADR.

### 5.2 IMPORT VOLUMES AND EFFECT ON PRICES

#### 5.2.1 Import volumes

The following table shows the volume of allegedly dumped imports in square meters, for the subject product:

**Table 5.2.1: Import volumes**

<b>Clear Float Glass (3MM)</b>			
<b>Import Volume (M<sup>2</sup>)</b>			
<b>Country</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Alleged dumped imports (Tanzania)	-	-	277 373
Other	38 901	84 497	135 782
Total	38 901	84 497	413 155

<b>Clear Float Glass (4MM)</b>			
<b>Import Volume (M<sup>2</sup>)</b>			
<b>Country</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Tanzania	-	-	374 259
Other	85 583	86 206	145 007
Total	85 583	86 206	519 266

<b>Clear Float Glass (5MM)</b>			
<b>Import Volume (M<sup>2</sup>)</b>			
<b>Country</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Tanzania	-	-	12 672
Other	12 627	20 913	5 250
Total	12 627	20 913	17 922

<b>Clear Float Glass (6MM)</b>			
<b>Import Volume (M<sup>2</sup>)</b>			
<b>Country</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Tanzania	-	-	12 735
Other	45 516	7 597	13 459
Total	45 516	7 597	26 194

<b>Total Subject Products</b>			
<b>Import Volume (M<sup>2</sup>)</b>			
<b>Country</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Tanzania	-	-	677 039
Other	182 627	199 214	299 499
Total	182 627	199 214	976 537

## 5.2.2 Effect on Domestic Prices

### 5.2.2.1 Price depression

Price depression takes place where the SACU industry's ex-factory selling price decreases during the investigation period.

The table below showed the domestic industry's ex-factory selling price in tons:

**Table 5.2.2.1(a): Price depression**

<b>Clear float glass: 3MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price (R/ton)	100	96	94

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.1(b): Price depression**

<b>Clear float glass: 4MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price (R/ton)	100	98	96

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.1(c): Price depression**

<b>Clear float glass: 5MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price (R/ton)	100	96	91

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.1(d): Price depression**

<b>Clear float glass: 6MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price (R/ton)	100	99	102

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that their selling prices of the 3 mm, 4 mm and 5 mm subject product categories showed a decreasing trend over the period 2022 to 2024, as a result of constant pressure from imported products on the SACU industry. This is indicative of price depression. There was no price depression over the 2022 to 2024 period for the 6 mm subject product category, although a price decrease was experienced from 2022 to 2023 for the 6 mm subject product.

The Applicant further stated that it is evident that despite input cost increases in each of the subject product categories, it had to depress its selling prices further in 2024 as referred, in an attempt to capture lost market share that was caused by the low-priced imports and especially dumped products from Tanzania that started to enter the SACU market in December 2023. When the overall Applicant's selling prices of the subject products combined are viewed it is clear that it did experience a decreasing trend from 2022 to 2024.

### **5.2.2.2 Price undercutting**

The following table compares the SACU industry's ex-factory prices with the landed cost of the imported product.

**Table 5.2.2.2(a): Price undercutting**

<b>Clear Float Glass (3MM)</b>	<b>2024</b>
Domestic Selling Price	108
Tanzania	
Import Price FOB	4 571,75
Import Price landed	5 852,33
Price undercutting	Yes
Price undercutting %	Yes

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.2(b): Price undercutting**

<b>Clear Float Glass (4 MM)</b>	<b>2024</b>
Domestic Selling Price	117
Tanzania	
Import Price FOB	4 380,22
Import Price landed	5 660,54
Price undercutting	Yes
Price undercutting %	Yes

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.2(c): Price undercutting**

<b>Clear Float Glass (5 MM)</b>	<b>2024</b>
Domestic Selling Price	119
Tanzania	
Import Price FOB	4 223,87
Import Price landed	5 504,27
Price undercutting	Yes
Price undercutting %	Yes

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.2(d): Price undercutting**

<b>Clear Float Glass (6 MM)</b>	<b>2024</b>
Domestic Selling Price	117
Tanzania	
Import Price FOB	4 096,82
Import Price landed	5 376,71
Price undercutting	Yes
Price undercutting %	Yes

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that, with regard to the landed prices of the 3 mm, 4 mm, 5 mm and 6 mm subject products that were imported from Tanzania in 2024, there were price undercutting in all of its categories based on its suppressed selling prices. However, as a result of the competition between the SACU manufacturer and the low-priced dumped imports from Tanzania, the table in the annexure also indicates the SACU manufacturer's unsuppressed selling.

The Applicant further stated that, when the imported prices are compared with the unsuppressed selling price in 2024, price undercutting is very clear in 2024 with regard to all the subject products from Tanzania. From the data, high rates of price undercutting for all of the subject product categories are clear.

### 5.2.2.3 Price suppression

Price suppression is the extent to which increase in the cost of production of the product concerned, cannot be recovered in selling prices.

The following table shows the Applicant's average costs of production and its actual average selling prices for the subject product:

**Table 5.2.2.3 (a): Price Suppression**

<b>Clear Float Glass (3 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Selling price (Ex-factory)	R/ton	100	96	94
Cost of production (Ex-Factory)	R/ton	100	126	134
Gross Profit	R/ton	100	63	48
Gross Profit %		100	65	51
Cost of production % selling price		100	131	144

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.3 (b): Price Suppression**

<b>Clear Float Glass (4 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Selling price (Ex-factory)	R/ton	100	98	96
Cost of production (Ex-Factory)	R/ton	100	126	134
Gross Profit	R/ton	100	61	46
Gross Profit %		100	62	47
Cost of production % selling price		100	128	139

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.3 (c): Price Suppression**

<b>Clear Float Glass (5 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Selling price (Ex-factory)	R/ton	100	94	91
Cost of production (Ex-Factory)	R/ton	100	126	134
Gross Profit	R/ton	100	50	30

Gross Profit %		100	53	33
Cost of production % selling price		100	134	148

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.2.2.3 (d): Price Suppression**

<b>Clear Float Glass (6 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Selling price (Ex-factory)	R/ton	100	99	102
Cost of production (Ex-Factory)	R/ton	100	126	134
Gross Profit	R/ton	100	63	58
Gross Profit %	%	100	64	57
Cost of production % selling price	%	100	127	132

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that the price suppression was experienced over the period 2022 to 2023, for each of the subject product categories, which caused it to suffer material injury. However, in 2024, the price suppression of the subject products increased substantially as a result of the dumped product from Tanzania in the SACU market, causing it material injury.

## **5.3 Consequent Impact of the dumped imports on the SACU Industry**

### **5.3.1 Actual and potential decline in sales**

The following table shows the Applicant's SACU sales volume of the subject product:

**Table 5.3.1(a): Sales volume**

<b>Clear Float Glass (3MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicant 'sales volume (Ton)	100	91	95

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.1(b): Sales volume**

<b>Clear Float Glass (4MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicant 'sales volume (Ton)	100	87	82

\*The above table has been indexed due to confidentiality using 2022 as a base year

**Table 5.3.1(c): Sales volume**

<b>Clear Float Glass (5MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicant 'sales volume (Ton)	100	72	70

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.1(d): Sales volume**

<b>Clear Float Glass (6MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicant 'sales volume (Ton)		100	87	98

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that, glass manufacturing is a continuous process that cannot be stopped or started at will, due to the nature of the float glass manufacturing process. A continuous glass sheet extrusion emerges from the furnace, with the only 'slowing' mechanism that is applied is to increase and the decrease, with the running speed being reduced when 6 mm product is produced, compared to the speed with the production of a 3 mm product. Hence, some products' production/sales will decrease, whilst others will increase. To prevent stock building beyond acceptable control levels, some of the subject products will be sold at lower prices or costs would be absorbed to compete.

The Applicant stated that the 3 mm, 4 mm, 5 mm and 6 mm subject product categories, sales volumes present declining trends for the POI, which is an indication of the SACU industry suffering material injury.

### 5.3.2 Profit

The following table shows the Applicants' profit margins for the subject products:

**Table 5.3.2(a): Profit**

<b>Clear Float Glass (3MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Product Volumes Sold	Ton	100	91	95
Total Gross profit	Rand	100	57	45
Total Net Profit	Rand	100	52	28

\*The above table has been indexed due to confidentiality using 2022 as a base year

**Table 5.3.2(b): Profit**

<b>Clear Float Glass (4 MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Product Volumes Sold	Ton	100	87	82
Total Gross profit	Rand	100	53	37
Total Net Profit	Rand	100	47	19

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.2(c): Profit**

<b>Clear Float Glass (5 MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Product Volumes Sold	Ton	100	72	70
Total Gross profit	Rand	100	36	21
Total Net Profit	Rand	100	34	3

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.2(d): Profit**

<b>Clear Float Glass (6MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Product Volumes Sold	Ton	100	87	98
Total Gross profit	Rand	100	55	57
Total Net Profit	Rand	100	50	36

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant indicated that although it realized profits for all the subject product categories for the POI, decreasing gross and net profit trends were experienced in each of the 3 mm, 4 mm, 5 mm and 6 mm subject product categories. These decreasing trends are clear indicators of the material injury that is suffered by it.

The Applicant also indicated that, what is further important to note is that the 2024 profit figures indicates a further decreasing trend in 2024 compared with 2023 (excluding the 6 mm) when the Tanzanian dumped products started to enter the SACU market causing further material injury to it.

### 5.3.3 Output

The following table outlines the Applicant's domestic production volume of the subject product:

**Table 5.3.3(a): Output**

<b>Clear Float Glass (3MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Production - NON-SACU	Ton	100	117	108
Production - SACU	Ton	100	91	95
<b>Total Production:</b>	Ton	100	98	98

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.13(b): Output**

<b>Clear Float Glass (4MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Production - NON-SACU	Ton	100	85	174
Production - SACU	Ton	100	87	82
<b>Total Production:</b>	Ton	100	86	95

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.3(c): Output**

<b>Clear Float Glass (5MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Production - NON-SACU	Ton	100	80	127
Production - SACU	Ton	100	72	70
<b>Total Production:</b>	Ton	100	74	82

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.3(d): Output**

<b>Clear Float Glass (6MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Production - NON-SACU	Ton	-	-	100
Production - SACU	Ton	100	64	107
<b>Total Production:</b>	Ton	100	64	119

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that the industrial process of float glass manufacturing is a continuous process, that cannot be stopped and started at will or due to the material injury being suffered as result of unfair trade. To prevent stock levels from increasing above acceptable levels and in the course of reducing stock levels within the normal course of trade, products are in some instances sold at lower prices. With reference to sales at suppressed prices, the inability to sell at unsuppressed pricing level is caused by the dumped products, against which it has to compete in the SACU market.

The Applicant also stated that any future capital investment would, on the basis of any price reductions that have a negative impact on the required profit, be unfeasible as significant capital is required to “re-build” the plant when the end of a productive lifespan is reached.

The Applicant further stated that it is evident that the 3 mm, 4 mm and 5 mm subject product categories production for the SACU market experienced volume decreases from 2022 to 2024, whilst the 6 mm subject product category experienced an increase. The decrease in production volumes for the 3mm, 4mm and 5mm categories can be linked to the slowdown in process as a result of the Tanzanian product taking sales away from it. For the subject products combined, a SACU production volume decrease also existed for the POI. These decreasing trends indicate that the SACU Industry is suffering material injury.

The Applicant concluded that it is thus clear that dumped imports place it under constant pressure, requiring the company to apply less than desirable manufacturing strategies, as well as forcing the sale of the subject products at much lower margins, with the intent to manage stock levels and prevent unnecessary inventory build-up as far as possible.

#### 5.3.4 Market share

The following table shows the SACU market share for the subject product in tons.

**Table 5.3.4(a): Market share**

<b>Clear Float Glass (3 MM) (Ton)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Applicant:</b>	100	91	95
Other SACU Producers	-	-	-
<b>Total SACU producers</b>	<b>100</b>	<b>91</b>	<b>95</b>
<b>Imports</b>			
Alleged dumped imports	-	-	1 984
Other imports	278	604	971
<b>Total SACU market</b>	<b>100</b>	<b>92</b>	<b>99</b>
<b>Percentage held by:</b>			
Applicant	100	99	96%
Alleged dumped imports	-	-	-
Other imports	100	237	353

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.4(b): Market share**

<b>Clear Float Glass (4 MM) (Ton)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Applicant:</b>	100	87	82
Other SACU Producers	-	-	-
<b>Total SACU producers</b>	<b>100</b>	<b>87</b>	<b>82</b>
<b>Imports</b>			
Alleged dumped imports	-	-	3 610
Other imports	826	832	1399
<b>Total SACU market</b>	<b>100</b>	<b>87</b>	<b>95</b>
<b>Percentage held by:</b>			
Applicant	100	100	86
Alleged dumped imports	-	-	-
Other imports	100	116	177

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.4(c): Market share**

<b>Clear Float Glass (5 MM) (Ton)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Applicant:</b>	100	72	70
Other SACU Producers	-	-	-
<b>Total SACU producers</b>	<b>100</b>	<b>72</b>	<b>70</b>
<b>Imports</b>			
Alleged dumped imports	-	-	155
Other imports	154	255	64
<b>Total SACU market</b>	<b>100</b>	<b>74</b>	<b>71</b>
<b>Percentage held by:</b>			
Applicant	100	98	98
Alleged dumped imports	-	-	-
Other imports	100	224	58

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.4(d): Market share**

<b>Clear Float Glass (6 MM) (Ton)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Applicant:</b>	100	64	107
Other SACU Producers	-	-	-
<b>Total SACU producers</b>	<b>100</b>	<b>64</b>	<b>107</b>
<b>Imports</b>			

Alleged dumped imports	-	-	187
Other imports	669	112	198
<b>Total SACU market</b>	<b>100</b>	<b>59</b>	<b>102</b>
<b>Percentage held by:</b>			
Applicant	100	107	104
Alleged dumped imports	-	-	-
Other imports	100	28	29

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that from the table above, the indications are that the total SACU market share (percentages) is based on sales volume for the 3 mm, 4 mm and 5 mm subject product categories experienced decreasing trends for the POI, with the 6 mm subject product category showing an increasing trend for the same period. However, a decrease occurred from 2023 to 2024. For the subject products combined, a decreasing sales volume market share trend also exists for the POI, with all decreasing trends acting as confirmation of the material injury that is being suffered by the SACU industry, as a result of the dumped imports.

The Applicant stated that the total SACU market volume did decrease for the POI.

The Applicant also indicated that as a result the declining sales, it experienced a declining sales value market share for the POI, for the 3 mm, 4 mm and 5 mm Subject Product categories, while the 6 mm Subject Product category market share declined in 2024 compared with 2023.

### 5.3.5 Productivity

Using the production and employment figures sourced from the Applicant, its productivity in respect of the subject product is as follows:

**Table 5.3.5(a): Productivity**

<b>Clear Float Glass (3 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Total Production volume	ton	100	98	98
Number of employees (Production)	No	100	102	101
Ton per employee	ton	100	96	97

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.5(b): Productivity**

<b>Clear Float Glass (4 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Total Production volume	ton	100	86	95
Number of employees (Production)	No	100	90	98
Ton per employee	ton	100	96	97

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.5(c): Productivity**

<b>Clear Float Glass (5 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Total Production volume	ton	100	74	82
Number of employees (Production)	No	100	77	85
Ton per employee	ton	100	96	97

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.5(d): Productivity**

<b>Clear Float Glass (6 mm)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Total Production volume	ton	100	64	119
Number of employees (Production)	No	100	66	122
Ton per employee	ton	100	96	97

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that based on the total production of the 3 mm to 6 mm subject product categories, its productivity experienced decreasing trends for the period 2022 to 2024, which runs parallel to the declining production trend for subject products combined over the same period, indicating that material injury is being suffered. The production workforce levels in 2022 and 2024 remained the same.

### 5.3.6 Return on investment

Return on investment is normally regarded by the Commission as being the profit before interest and tax as a percentage of the net value of assets. The following table provides the Applicant's profit after interest and tax expressed as a percentage of its net value of assets:

**Table 5.3.6: Return on investment**

<b>All Products (3 MM, 4 MM, 5 MM and 6 MM)</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Net profit (product concerned) (Rand)	Rand	100	51	23
Net assets Total Company *	Rand	100	104	103
<b>Return on net assets (%)</b>	Rand	100	49	23

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant indicated that its return percentage of net assets, based on the total profit of the 3 mm, 4 mm, 5 mm and 6 mm subject product categories, experienced a decreasing trend for the POI, which is indicative of the fact that PFG Building Glass is suffering material injury over the POI and 2024.

### 5.3.7 Utilisation of production capacity

The following table provides the Applicant's capacity and production for the subject product.

**Table 5.3.7: Utilisation of production capacity**

<b>Clear Float Glass - All product</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicants Capacity	Ton	100	100	100
Applicants Actual Production SP3 only	Ton	100	92	95
Capacity utilisation % SP3*	%	100	92	95
PFG Building Glass Actual Production (SP3 and SP4)	Ton	100	91	98
PFG Building Glass Actual Production SP4 only	Ton	100	84	145
PFG Building Glass Actual Production SP3 only	Ton	100	92	95

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that its capacity is based on a specific yield and load that depends on the products that are manufactured.

### 5.3.8 Factors affecting domestic prices

The Applicant stated that there are no other known factors, which could affect the domestic prices negatively.

### 5.3.9 Actual and potential negative effects on cash flow

The following table reflects the Applicant's cash flow situation with regard to the product under investigation.

**Table 5.3.9 (a): Net cash flows**

<b>Clear Float Glass (3 MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Cash flow: incoming	100	91	93
Cash flow: outgoing	100	104	120
Net cash flow	100	64	40

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.9 (b): Net cash flows**

<b>Clear Float Glass (4 MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Cash flow: incoming	100	88	89
Cash flow: outgoing	100	112	103
Net cash flow	100	35	56

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.9 (c): Net cash flows**

<b>Clear Float Glass (5 MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Cash flow: incoming	100	74	64
Cash flow: outgoing	100	77	83
Net cash flow	100	65	6

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.9 (d): Net cash flows**

<b>Clear Float Glass (6 MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Cash flow: incoming	100	88	106
Cash flow: outgoing	100	81	108
Net cash flow	100	126	97

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that there is an indication of a reducing net cash flow trend from 2022 to 2024 for the subject product categories combined, which decreasing trend is attributed to increased costs and debtors value. The

current cash flow is inadequate to support the re-investment required every 18 to 22 years. The Applicant indicated that its under constant pressure if the required sales volumes are not achieved, due to the continuing influx of dumped products, which reduced its domestic sales volumes.

### 5.3.10 Inventories

**Table 5.3.10(a): Inventories**

<b>Clear Float Glass (3MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Volume (Ton)	100	148	79
Value (R)	100	161	82

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.10(b): Inventories**

<b>Clear Float Glass (4MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Volume (Ton)	100	85	71
Value (R)	100	93	78

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.10(c): Inventories**

<b>Clear Float Glass (5MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Volume (Ton)	100	79	95
Value (R)	100	85	95

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.10(d): Inventories**

<b>Clear Float Glass (6MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Volume (Ton)	100	87	84
Value (R)	100	98	91

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant indicated that 3 mm, 4 mm, 5 mm and 6 mm subject product categories reflected decreasing inventory volumes and values for the POI. During the 12-month period of December 2023 to November 2024, there were regular fluctuations for all the subject product categories, with the 3 mm, 4 mm and 6 mm products experiencing decreasing trends and the 5 mm reflects a slight increasing trend.

The Applicant further stated that sound production and sales management decisions assisted it in mitigating potential injury by reducing the production of the subject products, without which inventory levels would have increased substantially higher than they did in 2023 from 2022, causing it to experience serious injury.

The Applicant stated that should the imports of the dumped product from Tanzania be allowed to continue unhindered, the subject products inventory volumes will increase, due to sales volumes being lost in SACU, which will have severe ramifications for it and pose a major threat to employment security.

### 5.3.11 Employment

The following table provides the Applicant’s employment figures for the subject product.

**Table 5.3.11: Employment**

<b>Clear Float Glass - All products</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Direct labour (units): production	100	95	100
Indirect labour (units): production	100	92	96
Total labour (units): Production	100	94	98
Labour units: Selling and Administrative	100	96	100
Rest of SACU total labour (units)	n/a	n/a	n/a

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that all of the production workers are utilised in the production of all substances and no worker is dedicated to producing a specific thickness substance. The indicated direct labour units relate to the personnel component assigned to the actual manufacturing for all subject products, the allocation of whom are done in accordance with a shift roster system. The indirect labour units relate to the personnel component allocated in support of and complimentary to the manufacturing process such as quality assurance, process technologist, industrial engineering support and so forth.

### 5.3.12 Wages and salaries

The following table provides the Applicant's wages paid:

**Table 5.3.12: Wages & Salaries**

<b>Clear Float Glass - All Subject products</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Direct Wages: Production	Rand	100	102	110
Indirect Wages: Production	Rand	100	87	100
Total wages: Production	Rand	100	99	108
Wage cost per ton produced	Rand	100	108	111

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that increasing trends for direct, indirect and total production wages exist for the POI and wage scales are agreed with the trade unions.

### 5.3.13 Growth

The following table indicates the growth of the SACU market as provided by the Applicant.

**Table 5.3.13: (a) Growth (Ton)**

<b>Clear Float Glass (3 mm)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicant Sales	100	91	95
Alleged dumped imports	-	-	1 984
Other imports	278	604	971
Total imports	278	604	2 955
Total SACU Market	100	92	99

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.13: (b) Growth (Ton)**

<b>Clear Float Glass (4MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicant Sales	100	87	82
Alleged dumped imports	-	-	3 610
Other imports	826	832	1 399
Total imports	826	832	5 009
Total SACU Market	100	87	95

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.13: (c) Growth (Ton)**

<b>Clear Float Glass (5MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
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Applicant Sales	100	72	70
Alleged dumped imports	-	-	155
Other imports	154	255	64
Total imports	154	255	219
Total SACU Market	100	74	71

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 5.3.13: (d) Growth (Ton)**

<b>Clear Float Glass (6MM)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Applicant Sales	100	64	107
Alleged dumped imports	-	-	187
Other imports	669	112	198
Total imports	669	112	385
Total SACU Market	100	59	102

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated that all of the subject product categories experienced negative growth in 2023 from 2022, with improved growth occurring in 2024 from 2023. However, negative growth was still experienced for the 3 mm, 4 mm and 5 mm subject product categories, with the 6 mm experiencing a positive growth margin for the POI. For the subject products combined, negative growth was experienced for the POI.

The Applicant stated that there were no Tanzania imports for the subject product categories in 2022 and 2023, with imports from Tanzania started entering the SACU and increased for the subject product categories during in 2024, which dumped imports' uptake of the SACU market share is causing material injury to the SACU industry, as well as pose a major threat if it is not addressed.

The Applicant further indicated that as stated previously, the import data obtained from SARS, concerning imports for the 3 mm and 4 mm subject product categories from Pakistan in March 2024 and May 2024, appears to

be incorrect, which distorts either the ‘other countries’ volumes or values in 2024. The Applicant believes that the Tanzanian uptake of the 2024 imports is higher than currently reflected, which would imply that its SACU market share is most like lower and that its growth in 2024 and for the POI would also be lower.

### 5.3.14 Ability to raise capital or investments

The Applicant provided the following information with regard to the SACU industry’s ability to raise capital or investments:

**Table 5.3.14(a): Ability to raise capital or investments**

<b>All Products SP3 and SP4</b>		<b>2022</b>	<b>2023</b>	<b>2024</b>
Total Investment in the subject product*	Rand	100	104	103
Capital expenditure during year	Rand	100	51	14

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant indicated that total capital expenditure for the company decreased from 2022 to 2023 and decreased again in 2024. As there is not an optimal utilisation of the existing production capacity, with decreasing sales and production volumes occurring, there is no need to raise additional capital or investment. Due to the reality of limitations to the useful life of the furnaces, the Applicant stated that its manufacturing plant could require refurbishments from 2026 onwards, for which process significant capital investment is required that would have to be funded from either internal and/or external resources.

The Applicant also stated that any injurious dumping to which the SACU Industry is subjected to could impact negatively on the motivations in favour of raising the required capital and could result in the closure of a manufacturing line.

### 5.3.15 SUMMARY – MATERIAL INJURY

Based on the above information, the evaluation of the injury information of

the Applicant for the period 01 December 2023 to 30 November 2024 is shown in Table 5.3.15. As imports of the subject products only began in December 2023, the evaluation in the table below is based only on whether material injury in terms of the indicators below exists or not.

**Table 5.3.15: Material Injury Indicators**

	<b>Dec 2023 – Nov 2024</b>
<b>Alleged dumped imports volumes: Clear float glass</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Price depression: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Price Suppression: Clear float glass (%)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Price Undercutting: Clear float glass</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Sales volumes: Clear float glass (tons)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Net Profit: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists

6MM	Exists
<b>Output: Clear float glass (tons)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Market share: Clear float glass (Applicant)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Productivity: Clear float glass (units per employee)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Utilisation of capacity: Clear float glass (%) (Entire plant)</b>	
<b>Net Cash Flows: Clear float glass(R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Employment: Clear float glass (Number of employees)</b>	
3MM	Unchanged
4MM	Unchanged
5MM	Unchanged
6MM	Unchanged
<b>Salaries and Wages: Clear float glass(R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Net investments: Clear float glass (R) (Entire plant)</b>	Exists
<b>Inventory: Clear float glass (tons)</b>	
3MM	Does not exist
4MM	Does not exist
5MM	Does not exist
6MM	Does not exist

<b>Return on net assets: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Growth: Clear float glass (%) (2023/2024)</b>	
3MM	Does not exist
4MM	Does not exist
5MM	Does not exist
6MM	Does not exist

The Commission made a preliminary determination that the SACU industry is experiencing material injury.

## **6. THREAT OF MATERIAL INJURY**

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### **6.1 Freely disposable capacity of the exporters**

The Applicant stated that the Sapphire Float Glass (Tanzania) Company Limited (“Sapphire Float Glass”), owned by a Chinese investor, was responsible for the construction of a state-of-the-art float glass manufacturing facility in Mkiu Village, Tanzania. This factory started production in September 2023. It was reported that this facility represents a significant milestone in the region’s industrial landscape and is poised to redefine the glass manufacturing sector in the country, and most probably the Southern African Development Community and immediate region north of Tanzania.

The Applicant further stated that according to information provided by the company, the production capacity of the facility, once completed, will meet and exceed the demand for glass in Tanzania and other neighboring countries in East Africa, which are under the same East African Community (EAC) organisation. Upon completion, it was projected that it will have a production capability that can meet and exceed the demand in Tanzania and neighbouring countries. It was reported that Sapphire Float Glass will be producing 700 tonnes of glass per day for the first phase. This according to the company’s managing director and owner, Mr Jack Feng, which is more than the country’s reported 175 tonnes/day demand.

The Applicant stated that as Tanzanian’s demand makes up only 25 percent of the company’s initial production capacity the additional volume that makes up 75 percent of the company’s production will be exported, and it is estimated that it will generate USD75 million (about 179.3 billion Tanzanian shilling) in foreign earnings annually. On 21 June 2023 it was reported that the Permanent Secretary (“PS”) in the President’s Office-Investment, Dr Tausi Kida of Tanzania, lauded the remarkable progress made, emphasising that upon the completion of Sapphire Float Glass, it will reign as the largest float glass factory in East and Central Africa. “This progress on the project is commendable indeed. It is one of the strategic projects which would transform the economic growth of our country,”

she said. With over 80 percent of raw materials sourced locally, the factory's operations will stimulate the domestic market. Additionally, Sapphire Float Glass will foster economic growth and self-sufficiency, according to the presentation to the PS. It is reported that Sapphire Float Glass will bring in several economic benefits, including a reduction in Tanzania's import bill for glass products. Additionally, increase in foreign exchange and expanded exports to neighboring nations were foreseen- as experienced in the SACU market.

The Applicant also indicated that it noted that in articles it is alleged that the project is anticipated to create over 1,655 direct jobs when operations kick off. Additionally, it is also estimated that it will generate 6,000 indirect jobs while the factory will also attract 75 million US dollars per annum income as exports of the production are estimated to be between 70 to 80 percent of the production. It is also reported that Sapphire Float Glass also submitted its proposal for the government to consider an increase of import duty rate change to 35 percent which are currently imposed at 10 and 25 per cent. The purpose of this change was reported, to protect the local manufacturers of glass and other glass products (including glass mirrors) and against cheap, substandard and undervalued imports.

The Applicant stated that on 21 May 2024, it was reported that Sapphire Float Glass is exporting to six African countries, namely Madagascar, Burundi, Zambia, Rwanda, the Democratic Republic of the Congo and South Africa. The Tanzanian Minister of Industry and Trade, Ashatu Kijaji, then stated that the factory was exporting 60 percent of its manufactured float glass that is used in construction and confirmed that the factory's production capacity is 700 tonnes of float glass per day or 189,000 tonnes per year, although it is currently producing 450 tonnes per day or 121,500 tonnes per year.

The Applicant also stated that in 2023, Keda Industrial Group ("Keda Industrial"), a China-based company principally engaged in the manufacture and sale of building material machinery, has announced it plans to invest \$86.8m (597.87m yuan) to build a new architectural glass plant in Tanzania. The company was

setting up a local subsidiary or a joint venture with a local partner to build the plant, which is expected to have an annual production capacity of 600 tonnes of architectural glass. Architectural glass is essentially a building material used for windows in external walls.

The Applicant concluded that with Sapphire Float Glass having a production capacity of 700 tons per day and the Keda Industrial having a capacity of production of 600 tons per day, Tanzania has a circa 475,000 tons production capacity per annum.

## **6.2 Significant increase of alleged dumped imports**

The Applicant stated that for the combined subject products, Tanzania imports increased from zero imports in 2022 and 2023 to 677 039 sqm in 2024, which volume presents 69.32 percent of the total SACU subject products imports in 2024. From the 'overnight' increased production that occurred in one year, the capability of the Tanzania float glass industry to rapidly expand its Southern African footprint is quite clear. The free access to the SADC market will further contribute to the increase in export volumes to South Africa and other SACU countries, together with the already established distribution footprint. Therefore, PFG Building Glass will face an even bigger onslaught in that the threat of material injury in 2025 will be extended onwards, which will cripple PFG Building Glass beyond recovery.

The Applicant stated that should the dumping of the subject products be allowed to continue without any effective remedial action to address the unfair trade being experienced in 2024, it will continue in 2025 and beyond.

## **6.3 Prices of imports, which will have a significant depressing or suppressing effect on SACU prices**

The Applicant indicated that as indicated in the material injury chapter, the already existing price suppression that occurred during the period of investigation

is estimated to surge beyond the period of investigation. The price depression that occurred during the period of investigation has already negatively impacted the Applicants' profitability and caused it to suffer material injury. It indicated that it estimates that it will experience increased depression levels in the "2025 Threat"-period.

The Applicant further indicated that clear evidence has been presented to the Commission that a real threat of material injury exists in the "2025 Threat"-period as result of the continuation of material injury experienced in the POI, which will have a negative impact on the business' sustainability projection, if the dumped imports from Tanzania of the subject products are not urgently addressed.

#### **6.4 Exporter's inventories of the subject product**

The Applicant indicated that as pointed out previously, a glass plant cannot be stopped and started to cater for an increase or decrease in demand, it continues to operate and thus if there is a global slowdown, or if markets are closed, for example the implementation of a trade remedy mechanism, inventories will increase if the products are not sold at lower prices in the domestic or the export market, sometimes even below cost of production to recover the cost of production (production cannot be temporarily ceased as it will result in significant financial loss and will lead to the re-build of the float manufacturing plant). The fact that the subject products are exported to South Africa at dumped prices are indicative that there are substantial inventories in Tanzania that must be managed and that the factories are trying to recover invested cost, especially when there is an over-supply that the Tanzanian market cannot absorb.

The Applicant stated that it has no actual data available about the inventory levels in Tanzania.

#### **6.5 State of the economy of the country of origin**

The Applicant stated that the economy of Tanzania is a lower-middle income economy that is centred around Manufacturing, Tourism, Agriculture, and

financial services. Tanzania's economy has been transitioning from a planned economy to a market economy since 1985. Although total GDP has increased since these reforms began, GDP per capita dropped sharply at first, and only exceeded the pre-transition figure in around 2007. Following the rebasing of the economy in 2014, the GDP increased by a third to USD58.1 billion. In 2020, the real GDP of Tanzania grew by 4.8 percent reaching USD89.5 billion versus USD82.9 billion in 2019. This growth made it the 2nd largest economy in East Africa after Kenya, and the 7th largest in Sub-Saharan Africa.

The Applicant further stated that the Tanzanian economy has sustained relatively high economic growth compared to global trends, as is characteristic of African nations. According to World Bank data, the last 5 years have seen the slowest growth since 2000. The medium-term outlook is so far positive, with growth projected at 6 percent in 2020/21, which is supported by large infrastructure spending. On 7 September 2021, the IMF approved USD567.25 million in emergency financial assistance to support Tanzania's efforts in responding to the COVID-19 pandemic by addressing the urgent health, humanitarian, and economic costs. The IMF projects a GDP growth for Tanzania of +4.0 percent and +5.1 percent in 2021 and 2022, and 6.0 percent in 2026. In the first quarter of 2024, GDP growth accelerated to 5.6% year-on-year, building on 5.1% growth in 2023. The medium-term outlook is positive, with GDP growth expected to align more closely with its long-term potential (estimated at around 6%), supported by ongoing structural reforms and an improved business environment.

The Applicant also stated that leading indicators affirm that the economy has maintained this strong momentum in the second quarter. On the supply side, growth was primarily driven by manufacturing, electricity, construction, tourism, trade, and financial services. Inflation declined from 3.3 percent in July 2023 to 3.0 percent in July 2024 (y-o-y), well below the Bank of Tanzania's medium-term target of 5 percent. The Bank of Tanzania continued to tighten its monetary policy stance to restore the equilibrium in the Forex market. The present value of the public debt-to-GDP ratio is projected to remain comfortably below Tanzania's debt-carrying capacity benchmark of 55%. By the end of FY23, total debt held by

the central government was increased by 44.3% of GDP, up from 42.5% of GDP in FY22, and reached USD34.5 billion in nominal terms, marking a 12.3% rise from the previous fiscal year. External debt grew by 8.2%, while domestic debt surged by 20.3%.

The Applicant stated that the World Bank recorded the Tanzania's GDP growth rate estimate at 5.07% in 2023. Tanzania's growth has remained resilient, accompanied by low Inflation. Fiscal and current account deficits are narrowing, driven by improved tax collection and strong trade performance. Pressures in the foreign exchange market persist, albeit with some promising signs of moderation. The medium-term outlook is positive, with GDP growth expected to align more closely with its long-term potential (estimated at around 6 percent), supported by ongoing structural reforms and an improved business environment. Although Tanzania is seen as a developing country, in the first quarter of 2024, GDP growth accelerated to 5.6 percent year-on-year, building on 5.1 percent growth in 2023, which growth is driven by the manufacturing industry and infrastructure development.

The Applicant stated that if one compares South Africa, also a developing country, with Tanzania, in the first quarter of 2024, South Africa's real gross domestic product (GDP) contracted by 0.1% compared to the previous quarter (statssa.gov.za), which decline was primarily due to weaker performances in the manufacturing, mining, and construction sectors and lack of infrastructure development. Despite a 0.3 percentage point increase in interest payment as a share of GDP, Tanzania's fiscal position has strengthened. The overall fiscal deficit declined from 4.0 percent of GDP during the first 11 months of FY2022/23 to 3.3 percent during the first 11 months of FY2023/24, driven by improved tax collections coupled with spending restraint in primary expenditure. The primary fiscal deficit declined from 2.1 percent of GDP to 1.2 percent over the same period.

The Applicant stated that bolstered by favourable terms of trade, the Current Account Deficit narrowed from 4.2 percent of GDP in Q1-2023 to 2.4 percent of GDP in Q1-2024. Net FDI inflows continued to recover after a long decline and are estimated at around 2 percent of GDP. While Forex tensions persist, there are positive signs of moderation. Strengthened external conditions and greater flexibility of the exchange rate, which resulted in an over 12 percent depreciation of the Tanzanian shilling during the past year, have moderated the tensions in the Forex market and reduced the parallel market premium from an estimated 8 - 10 percent in Q1 to 4 - 5 percent as of September. Maintaining this momentum will be necessary to eliminate Forex distortions. The present value of the public debt-to-GDP ratio is projected to remain comfortably below Tanzania's debt-carrying capacity benchmark of 55 percent. By the end of FY23, total debt held by the central government was increased by 44.3 percent of GDP, up from 42.5 percent of GDP in FY22, and reached USD34.5 billion in nominal terms, marking a 12.3 percent rise from the previous fiscal year. External debt grew by 8.2 percent, while domestic debt surged by 20.3 percent.

The Applicant concluded that over the medium term, growth is expected to average around 6 percent, as improvements in the business environment and full implementation of reforms are likely to attract more investment, including Foreign Direct Investment (FDI). Headline inflation is projected to stay low and stable, anchored by a newly adopted interest rate-based framework. Going forward, the focus needs to be on translating the strong economic performance into poverty reduction, which has been a challenge for Tanzania. This requires further prioritization of human capital development, agricultural productivity, and strengthening of social protection and climate resilience.

#### **6.6 Other information relevant to the allegation that the infliction of material injury is imminent.**

The Applicant stated that according to the Agreement on Implementation of Article VI of GATT, 1994, Article 3.7, when an application is brought mostly on a threat of material injury as in this case, as imports from Tanzania only started

entering the SACU market in January 2024, and were not in the SACU market in 2022 and 2023, showing material injury in 2024 the threat of material injury “shall be based on facts and not merely on allegation, conjecture or remote possibility”.

The Applicant further stated that Article 3.7 further points out that “The change in circumstances which would create a situation in which the dumping would cause injury must be clearly foreseen and imminent” meaning that there is “convincing reason to believe that there will be, in the near future, substantially increased importation of the product at dumped prices”. In this regard the Applicant stated that it wishes to confirm that it suffered material injury in 2024, but that there is a clear threat of material injury as a result of the dumped imports from Tanzania in 2025 and beyond for the following reasons:

- There was a significant rate of increase of dumped imports into the domestic market from Tanzania indicating the likelihood of substantially increased importation in 2025 and beyond.
- It was substantiated that there is sufficient capacity of the exporter in Tanzania indicating the likelihood of substantially increased dumped exports to the SACU market, taking into account the availability and demand of other export markets to absorb any additional exports.
- It has been substantiated that the Tanzanian imports are entering at prices that, have a significant depressing and suppressing effect on domestic prices, and therefore as imports increased indicate the increase in demand for these dumped imports.
- Based on production, domestic demand and exports, inventories of the products are increasing.

The Applicant stated that as a result, it is clear that further dumped exports in 2025 and beyond are imminent unless protective action is taken by the Commission. It therefore reiterates that as the Tanzania float glass industry has established a rapid growing distribution footprint since January 2024 in SACU, which has been increasing throughout 2024 through its dumping practice. There is no indication that its export volumes will reduce or stop, in fact as can be seen

by the imports in the 2024, the increased manufacturing capacity and the estimated imports in 2025 the dumped imports from Tanzania will continue to flow in and cause material injury in the “2025 Threat”-period and thereafter, unless effective remedial action is taken to address the unfair trade.

The Applicant provided the table below to emphasize the threat of material injury:

Variable	Unit of measurement	Period of Injury			Threat period 2025
		2022	2023	2024	
Sales volume	<b>Ton</b>				
<b>3MM</b>		100	91	95	<b>88</b>
<b>4MM</b>		100	87	82	<b>47</b>
<b>5MM</b>		100	72	70	<b>63</b>
<b>6MM</b>		100	87	98	<b>90</b>
Inventories (quantities)	<b>Ton</b>				
<b>3MM</b>		100	148	79	<b>124</b>
<b>4MM</b>		100	85	71	<b>213</b>
<b>5MM</b>		100	79	95	<b>95</b>
<b>6MM</b>		100	87	84	<b>107</b>
Output (quantities)	<b>Ton</b>				
<b>3MM</b>		100	91	95	<b>88</b>
<b>4MM</b>		100	87	82	<b>47</b>
<b>5MM</b>		100	72	70	<b>63</b>
<b>6MM</b>		100	64	107	<b>90</b>
Market share of Applicant	<b>%</b>				
<b>3MM</b>		100	99	96	<b>92</b>
<b>4MM</b>		100	100	86	<b>56</b>
<b>5MM</b>		100	98	98	<b>90</b>
<b>6MM</b>		100	107	104	<b>90</b>
Market share of alleged dumped imports	<b>%</b>				
<b>3MM</b>		0	-	-	-
<b>4MM</b>		0	-	-	-
<b>5MM</b>		0	-	-	-
<b>6MM</b>		0	-	-	-
Market share of other imports	<b>%</b>				

<b>3MM</b>		100	237	353	<b>363</b>
<b>4MM</b>		100	116	177	<b>201</b>
<b>5MM</b>		100	224	58	<b>60</b>
<b>6MM</b>		100	28	29	<b>30</b>
Capacity utilisation	<b>%</b>	100	92	95	<b>88</b>
Employment	<b>Units</b>	100	94	98	<b>94</b>
Wages	<b>R</b>	<b>100</b>	<b>99</b>	<b>108</b>	<b>-</b>
Productivity	<b>Ton/employee</b>				
<b>3MM</b>		100	96	97	<b>97</b>
<b>4MM</b>		100	96	97	<b>97</b>
<b>5MM</b>		100	96	97	<b>97</b>
<b>6MM</b>		100	96	97	<b>97</b>
Net Profit	<b>R</b>				
<b>3MM</b>		100	52	28	<b>15</b>
<b>4MM</b>		100	47	19	<b>(2)</b>
<b>5MM</b>		100	34	3	<b>(7)</b>
<b>6MM</b>		100	50	36	<b>17</b>
Cash flow	<b>Rm</b>				
<b>3MM</b>		100	64	40	<b>18</b>
<b>4MM</b>		100	35	56	<b>(70)</b>
<b>5MM</b>		100	65	6	<b>(48)</b>
<b>6MM</b>		100	126	97	<b>(34)</b>
Return on investment	<b>%</b>	100	49	23	<b>9</b>
Total capital investment (subject product)	<b>Rm</b>				
		100	104	103	<b>-</b>
Growth in SACU market	<b>%</b>				
<b>3MM</b>		100	92	99	<b>96</b>
<b>4MM</b>		100	87	95	<b>84</b>
<b>5MM</b>		100	74	71	<b>69</b>
<b>6MM</b>		100	59	102	<b>100</b>

\*The above table has been indexed due to confidentiality using 2022 as a base year.

## 6.8 SUMMARY ON THREAT OF MATERIAL INJURY

*Regulation 14.2 of the ADR directs the Commission in making a determination of threat of material injury to consider various factors such as the rate of increase of dumped imports; freely available or increased capacity; the availability of other export markets; the prices at which the subject product is or will be entering; and exporters' inventories. The consideration of these and other factors point to a clearly foreseeable and imminent threat of material injury in light of the facts discussed in the previous sections.*

### **Commission's Consideration**

The Commission considered that the information provided by the Applicant, indicates that there exists freely disposable capacity in Tanzania and that the alleged dumped imports increased from 0 percent in 2022 and 2023 to 3 percent, 12 percent, 2 percent and 2 percent, respectively, for clear float glass of a thickness of 3mm, 4mm, 5mm and 6mm in 2024. The threat information provided by the Applicant indicates that the market share of the alleged dumped imports is expected to increase to 7 percent, 40 percent, 10 percent and 15 percent, respectively, for clear float glass of a thickness of 3mm, 4mm, 5mm and 6mm. The above indicates that there is a threat of material injury to the SACU industry.

The Commission noted that the Applicant stated that the Sapphire Float Glass is owned by a Chinese investor, who was responsible for the construction of a state-of-the-art float glass manufacturing facility in Tanzania. The commission considered that, the development of key industries in developing countries, appears to be a recent pattern by Chinese Companies to take advantage of preferential trade agreement between other countries and thus avoiding higher tariffs imposed on goods directly imported from China.

One could speculate that the Chinese investment in Tanzania is partially motivated by the SADC trade and market access. According to the Tanzania Investment Centre (TIC) investing in Tanzania guarantees access to a market of more than 450 million people in Eastern and Southern Africa in which Tanzania enjoys preferential trade arrangements, also Tanzania qualifies to export textile

and apparel and more than 6,000 products to United State (US) under AGOA. Also, Tanzania can access the EAC and SADC market by being a member. Tanzania is a Trade partner with China (Over 4,000 items), Canada, and Japan. Investing in Tanzania therefore provides the advantage and opportunity to access local, regional and international markets.

The Commission also noted that, in an article published by the Xinhua news agency in May 2024, the Minister of Trade and Industry in Tanzania, Ashatu Kijaji, indicated that Sapphire Float Glass Factory, owned by Chinese investors in the Mkuranga District of the Coast Region in eastern Tanzania, is exporting float glass to six African countries; Madagascar, Burundi, Zambia, Rwanda, the Democratic Republic of the Congo, and South Africa. He also stated that the factory is exporting 60 percent of its manufactured float glass used in construction, and the factory's production capacity is 700 tons of float glass per day or 189,000 tons per year, but it is currently producing 450 tons per day or 121,500 tons per year. Xinhua News Agency, or New China News Agency, is the official state news agency of the People's Republic of China. It is a ministry-level institution of the State Council, and it is the largest media organ in China.

Source : <https://english.news.cn/africa/20240522/7b353c1ea8ea4b38bb761824cf81ca75/c.html>

There are anti-dumping duties, which have been reviewed a number of times, against Chinese imports of the subject products in the SACU market ranging between 562c/m<sup>2</sup> and 802c/m<sup>2</sup>. this was noted when considering the threat of material injury on the SACU market, showing proclivity to dump goods onto this market.

The Commission performed an analysis of the imports from 1 December 2024 to 31 March 2025 to indicate the validity of Applicant's claim that there is a threat of material injury.

The Commission considered the below the month-by-month import analysis of the subject products from 01 December 2023 to 31 March April 2025:

Import volumes 3 MM (m <sup>2</sup> )	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024	Nov-2024
Tanzania	-	3 617	-	7 352	18 575	-	-	84 727	-	-	-	163 102
Other	13 931	-	20 897	32 507	10 449	40 642	1 898	15 459	-	-	-	-
<b>Total</b>	13 931	3 617	20 897	39 859	29 024	40 642	1 898	100 186	-	-	-	163 102
Import volumes 3 MM (m <sup>2</sup> )	Dec-2024	Jan-2025	Feb-2025	Mar-2025								
Tanzania	17 146	25 787	267 059	22 165								
Other	-	10 594	6 600	10 593								
<b>Total</b>	17 146	36 381	273 659	32 758								

Import volumes 4 MM (m <sup>2</sup> )	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024	Nov-2024
Tanzania	-	-	-	65 978	-	-	-	24 470	-	-	5 501	278 310
Other	8	21 162	2 648	52 649	7 797	18 244	-	23 442	5 197	-	12 659	1 201
<b>Total</b>	8	21 162	2 648	118 627	7 797	18 244	-	47 912	5 197	-	18 160	279 510
Import volumes 4 MM (m <sup>2</sup> )	Dec-2024	Jan-2025	Feb-2025	Mar-2025								
Tanzania	-	68 764	278 318	8 251								
Other	-	19 324	7 881	1								
<b>Total</b>	-	88 080	286 199	8 252								

Import volumes 5 MM (m <sup>2</sup> )	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024	Nov-2024
Tanzania	-	2 724	-	4 412	-	-	-	-	-	-	-	5 537
Other	-	2 568	-	-	1	-	531	2	2 147	-	-	-
<b>Total</b>	-	5 292	-	4 412	1	-	531	2	2 147	-	-	5 537
Import volumes 5 MM (m <sup>2</sup> )	Dec-2024	Jan-2025	Feb-2025	Mar-2025								
Tanzania	-	4 421	10 678	4 322								
Other	-	0,02	120	-								
<b>Total</b>	-	4 421,02	10 798	4 322								

<b>Import volumes 6 MM (m<sup>2</sup>)</b>	<b>Dec- 2023</b>	<b>Jan- 2024</b>	<b>Feb- 2024</b>	<b>Mar- 2024</b>	<b>Apr- 2024</b>	<b>May- 2024</b>	<b>Jun- 2024</b>	<b>Jul- 2024</b>	<b>Aug- 2024</b>	<b>Sep- 2024</b>	<b>Oct - 202 4</b>	<b>Nov - 202 4</b>
<b>Tanzania</b>	-	-	-	3 648	-	-	-	9 087	-	-	-	-
<b>Other</b>	4	7	851	-	524	2 503	3 999	2 091	1 709	1 766	-	7
<b>Total</b>	4	7	851	3 648	524	2 503	3 999	11 177	1 709	1 766	-	7
<b>Import volumes 6 MM (m<sup>2</sup>)</b>	<b>Dec- 2024</b>	<b>Jan- 2025</b>	<b>Feb- 2025</b>	<b>Mar- 2025</b>								
<b>Tanzania</b>	-	3 635	7 166	-								
<b>Other</b>	6,6	-	2 441	613,45								
<b>Total</b>	6,6	3 635	9 607	613,45								

The Commission made a preliminary determination that a threat of material injury to the SACU industry exists.

## 7 CAUSAL LINK

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### 7.1 GENERAL

In order for the Commission to initiate an investigation, it must be satisfied that there is sufficient evidence to indicate that the material injury experienced by the SACU industry is as the result of the alleged dumped imports of the subject products originating in or imported from Tanzania.

### 7.2 VOLUME OF IMPORTS AND MARKET SHARE

An indication of causality is the extent of the increase in the volume of subject imports from Tanzania and the extent to which the market share of the domestic industry has decreased, since the commencement of injury, with a corresponding increase in the market share of the imported subject product.

The following tables compare the market share of the SACU industry with that of the imports:

**Table 7.2.1(a): Market Share 3MM**

<b>Clear float glass 3MM (Tons)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
PFG market share	100%	99%	96%
Other SACU producers	-	-	-
Total SACU market Share	100%	99%	96%
Market share alleged dumped imports	-	-	-
Market share of other imports	100%	237%	353%
Total import market share	100%	237%	1 074%
Total Market	100%	100%	100%

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.2.1(b): Market Share 4MM**

<b>Clear float glass 4MM (Tons)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
PFG market share	100%	100%	86%
Other SACU producers	-	-	-
Total SACU market Share	100%	100%	86%
Market share alleged dumped imports	-	-	-
Market share of other imports	100%	116%	177%
Total import market share	100%	116%	635%
Total Market	100%	100%	100%

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.2.1(c): Market Share 5MM**

<b>Clear float glass 5MM (Tons)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
PFG market share	100%	98%	98%
Other SACU producers	-	-	-
Total SACU market Share	100%	98%	98%
Market share alleged dumped imports	-	-	-
Market share of other imports	100%	224%	58%
Total import market share	100%	224%	199%
Total Market	100%	100%	100%

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.2.1(d): Market Share 6MM**

<b>Clear float glass 6MM (Tons)</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
PFG market share	100%	107%	104%
Other SACU producers	-	-	-
Total SACU market Share	100%	107%	104%
Market share alleged dumped imports	-	-	-
Market share of other imports	100%	28%	29%
Total import market share	100%	28%	56%
Total Market	100%	100%	100%

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant indicated that the total SACU market share percentages of PFG Building Glass based on sales volume for the 3 mm, 4 mm and 5 mm Subject Product categories experienced decreasing trends for the POI, with the 6 mm Subject Product category showing an increasing trend for the same period, despite the decrease that occurred from 2023 to 2024. For the Subject Products combined, a decreasing sales volume market share percentage trend also exists for the POI, with all decreasing trends acting as confirmation of the material injury that is being suffered by the SACU industry, as a result of the dumped imports.

The following tables show the volume of imports:

**Table 7.2.2 (a): Import volumes 3MM**

<b>Clear float glass 3MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	1984	67%
Other imports	278	100%	604	100%	971	33%
Total	<b>278</b>	<b>100%</b>	<b>604</b>	<b>100%</b>	<b>2 955</b>	<b>100%</b>

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.2.2 (b): Import volumes 4MM**

<b>Clear float glass 4MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	3 610	72%
Other imports	826	100%	832	100%	1 399	28%
<b>Total</b>	<b>826</b>	<b>100%</b>	<b>832</b>	<b>100%</b>	<b>5 009</b>	<b>100%</b>

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.2.2 (c): Import volumes 5MM**

<b>Clear float glass 5MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	155	71%
Other imports	154	100%	255	100%	64	29%
<b>Total</b>	<b>154</b>	<b>100%</b>	<b>255</b>	<b>100%</b>	<b>219</b>	<b>100%</b>

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.2.2 (d): Import volumes 6MM**

<b>Clear float glass 6MM</b>						
<b>Import Volume (Tons)</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>	<b>Volumes</b>	<b>%</b>
	<b>2022</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
Alleged dumped imports	0	0%	0	0%	187	49%
Other imports	669	100%	112	100%	198	51%
<b>Total</b>	<b>669</b>	<b>100%</b>	<b>112</b>	<b>100%</b>	<b>385</b>	<b>100%</b>

\*The above table has been indexed due to confidentiality using 2022 as a base year.

### **7.3 EFFECT OF DUMPED IMPORTS ON PRICES**

The following tables show the price effects of the Applicant:

**Table 7.3.1(a): Price depression, price suppression and Price undercutting**

<b>Clear float glass 3MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price in SACU (Price depression) (Rand per ton)	100	96	94
Cost of production % selling price (suppression)	100	131	144
Price Undercutting			Exists

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.3.1(b): Price depression, price suppression and Price undercutting**

<b>Clear float glass 4MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price in SACU (Price depression) (Rand per ton)	100	98	96
Cost of production % selling price (suppression)	100	128	139
Price Undercutting			Exists

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.3.1(c): Price depression, price suppression and Price undercutting**

<b>Clear float glass 5MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price in SACU (Price depression) (Rand per ton)	100	94	91
Cost of production % selling price (suppression)	100	134	148
Price Undercutting			Exists

\*The above table has been indexed due to confidentiality using 2022 as a base year.

**Table 7.3.1(d): Price depression, price suppression and Price undercutting**

<b>Clear float glass 6MM</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Ex-factory selling price in SACU (Price depression) (Rand per ton)	100	99	102
Cost of production % selling price (suppression)	100	127	132
Price Undercutting			Exists

\*The above table has been indexed due to confidentiality using 2022 as a base year.

The Applicant stated the import data obtained from SARS, concerning imports for the 3 mm and 4 mm Subject Product categories from Pakistan in March 2024 and May 2024, appears to be incorrect, which distorts the 'Other countries' volumes or values in 2024. It is evident that most of the imports from the 'Other countries' for the period December 2023 to November 2024, the following countries hold import volume share of more than 3 percent:

3 mm Subject Product category: China (4%) and Pakistan (29%);  
4 mm Subject Product category: Pakistan (26%);  
5 mm Subject Product category: China (15%) and Vietnam (14%); and  
6 mm Subject Product category: Belgium (9%), China (24%), Germany (8%) and Malawi (9%).

The Applicant stated that the data concerning Pakistan for the 3 mm and 4 mm Subject Product categories contains anomalies, which skews the undercutting calculations pertaining to Pakistan. The Applicant requested the Commission uses the same principle as accepted in the safeguard investigation currently conducted by the Commission, where import data appeared to present anomalies, and was then not taken into account for making price comparisons.

The Applicant also stated that countries below 3 percent of the total import volume of the Subject Products cannot cause material injury to the SACU industry. Where the percentages are above 3 percent, such imports do not undercut the PFG Building Glass prices in the vast majority of the cases. Concerning the 5 mm and 6 mm Subject Product categories there were undercutting of ad hoc month entries from China (5 mm), Vietnam (5 mm) and Malawi (6 mm), which did not have an ongoing undercutting effect on the PFG Building Glass prices. The Anti-Dumping duty that applies to China also needs to be factored in, which will have an increasing landed cost effect. Concerning the recorded import from Malawi, it needs to be noted that there is no float glass manufacturing plant in the country.

The Applicant concluded that due to the considerable actual market share that the Tanzania imports hold, the impact from the 'Other countries' have been overshadowed and will most likely be forced out of SACU market should the dumping from Tanzania be allowed to continue without effective remedial action being taken.

#### 7.4 THE MAGNITUDE OF THE MARGIN OF DUMPING

The Applicant alleges that the subject product was imported at dumped prices. The dumping margin was calculated as follows:

Country	Thickness	Tariff subheading	Rate of duty
Tanzania	<b><i>KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	6,08%
	4 MM	7005.29.23	6,08%
	5 MM	7005.29.25	6,08%
	6 MM	7005.29.35	6,08%
	<b><i>All other manufacturers (excluding KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	25,88%
	4 MM	7005.29.23	25,88%
	5 MM	7005.29.25	25,88%
	6 MM	7005.29.35	25,88%

#### 7.5 CONSEQUENT IMPACT OF ALLEGED INCREASE IN IMPORTS

Table 7.5.1: Material Injury Indicators

	Dec 2023 – Nov 2024
<b>Alleged dumped imports volumes: Clear float glass</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Price depression: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Price Suppression: Clear float glass (%)</b>	
3MM	Exists
4MM	Exists
5MM	Exists

6MM	Exists
<b>Price Undercutting: Clear float glass</b>	
3MM	Experienced
4MM	Experienced
5MM	Experienced
6MM	Experienced
<b>Sales volumes: Clear float glass (tons)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Net Profit: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Output: Clear float glass (tons)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Market share: Clear float glass (Applicant)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Productivity: Clear float glass (units per employee)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Utilisation of capacity: Clear float glass (%) (Entire plant)</b>	
<b>Net Cash Flows: Clear float glass(R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Employment: Clear float glass (Number of employees)</b>	

3MM	Unchanged
4MM	Unchanged
5MM	Unchanged
6MM	Unchanged
<b>Salaries and Wages: Clear float glass(R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Net investments: Clear float glass (R) (Entire plant)</b>	Exists
<b>Inventory: Clear float glass (tons)</b>	
3MM	Does not exist
4MM	Does not exist
5MM	Does not exist
6MM	Does not exist
<b>Return on net assets: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Growth: Clear float glass (%) (2023/2024)</b>	
3MM	Does not exist
4MM	Does not exist
5MM	Does not exist
6MM	Does not exist

## 7.6 FACTORS OTHER THAN THE DUMPING CAUSING INJURY

### 7.6.1 Examination of under Article 3.5

Variable	Year			Change (%)
	2022	2023	2024	2022/2024
<b>Prices of imports sold at alleged dumped prices (fob price) (R/ m<sup>2</sup>):</b>		-		
3MM	-	-	32,70	-
4MM	-	-	42,25	
5MM	-	-	51,53	
6MM	-	-	60,24	
<b>Prices of imports not sold at dumped prices (fob price) (R/ m<sup>2</sup>):</b>				
3MM	-	28,19	25,95	-
4MM	55,42	44,07	32,71	-40,97%
5MM	75,41	57,14	57,45	23,82%
6MM	154,86	165,13	287,99	85,96%
<b>Volume of imports not sold at dumped prices ( m<sup>2</sup>):</b>				
3MM	38 901	84 497	135 782	249%
4MM	85 583	86 206	145 007	69,43%
5MM	12 627	20 913	5 250	-58,42%
6MM	45 516	7 597	26 194	-42,45%
<b>Contraction in demand: Growth rate for the subject product industry (m2):</b>				
3MM	100	92	99	-1%
4MM	100	87	95	-5%
5MM	100	74	71	-29%
6MM	100	59	102	2%

<b>Changes in the patterns of consumption</b>	The Applicant stated that recorded incorrect import data for March and May 2024 from Pakistan for the 3 mm and 4 mm, will present a higher volume for the Other countries, which will distort and also impact on the actual SACU total market size for 2024. As pointed out above, this incorrect data must not be taken into account. Being mindful of this distortion, the available data indicate that the SACU total market volumes for the 3 mm, 4 mm and 5 mm subject product categories all decreased from 2022 to 2024. Only for the 6 mm subject product category was there a small SACU total market volume increase during the period of investigation and is estimated to continue in 2025 posing a serious threat of material injury to the SACU industry
<b>Trade-restrictive practices of foreign and domestic Producers</b>	The Applicant stated that there are none that it is aware of. In fact, the imports from Tanzania enjoy free access to the SACU market as a result of the SADC Treaty, which gives exporters a huge advantage over the exporters from countries that are not exempted from Schedule 1 Part 1 duties.
<b>Developments in technology</b>	The Applicant stated that there were no known recent developments in technology that would place It at a disadvantage.
<b>Export performance of the domestic industry</b>	The Applicant stated that it manufactures the subject products to supply the domestic market but does export to African countries outside SACU. In addition to this, the Applicant successfully manufactures high quality automotive float glass, which it exports to international manufacturers. The injury data as supplied relates only to the sales in the SACU market
<b>Productivity of the domestic industry</b>	The Applicant stated that it believes that its productivity compares favourably with its competitors. However, as a result of the dumped imports Its productivity is affected as these imports impact on Its production and will in 2025 and beyond if the dumping is not addressed.

From the above it is evident that the prices of the alleged dumped imports in 2024 were significantly lower than those of the imports not sold at dumped prices.

From the information in Section 5.2.2 of this submission, it is clear that the alleged dumped imports had a negative impact on the Applicant's prices in 2024 and this included amongst others, price undercutting and price suppression. Also, it should be taken into account that the consequent impact of the dumped imports resulted amongst others, in a decline in gross profit as a percentage of the Applicant's selling price and return on net assets over the investigation period.

## **7.7 SUMMARY ON CAUSAL LINK**

The Commission made a preliminary determination that there is a causal link between the alleged dumping of the subject products and the material injury suffered by the SACU industry.

## 8. SUMMARY OF FINDINGS

### 8.1 DUMPING

The following dumping margins were calculated for the subject products:

Country	Thickness	Tariff subheading	Rate of duty
Tanzania	<b><i>KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	6.08%
	4 MM	7005.29.23	6.08%
	5 MM	7005.29.25	6.08%
	6 MM	7005.29.35	6.08%
	<b><i>All other manufacturers (excluding KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	25,88%
	4 MM	7005.29.23	25,88%
	5 MM	7005.29.25	25,88%
	6 MM	7005.29.35	25,88%

The Commission made a preliminary decision whether dumping of the subject products originating in Tanzania is taking place.

### 8.2 MATERIAL INJURY

Based on the verified information of the Applicant, it is evident that the Applicant is experiencing material injury in the form of:

	Dec 2023 - Nov 2024
<b>Alleged dumped imports volumes: Clear float glass</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Price depression: Clear float glass (R)</b>	

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3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Price Suppression: Clear float glass (%)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Price Undercutting: Clear float glass</b>	
3MM	Experienced
4MM	Experienced
5MM	Experienced
6MM	Experienced
<b>Sales volumes: Clear float glass (tons)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Net Profit: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Output: Clear float glass (tons)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Market share: Clear float glass (Applicant)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Does not exist
<b>Productivity: Clear float glass (units per employee)</b>	
3MM	Exists
4MM	Exists

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5MM	Exists
6MM	Exists
<b>Utilisation of capacity: Clear float glass (%) (Entire plant)</b>	
<b>Net Cash Flows: Clear float glass(R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Employment: Clear float glass (Number of employees)</b>	
3MM	Unchanged
4MM	Unchanged
5MM	Unchanged
6MM	Unchanged
<b>Salaries and Wages: Clear float glass(R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Net investments: Clear float glass (R) (Entire plant)</b>	Exists
<b>Inventory: Clear float glass (tons)</b>	
3MM	Does not exist
4MM	Does not exist
5MM	Does not exist
6MM	Does not exist
<b>Return on net assets: Clear float glass (R)</b>	
3MM	Exists
4MM	Exists
5MM	Exists
6MM	Exists
<b>Growth: Clear float glass (%) (2023/2024)</b>	
3MM	Does not exist
4MM	Does not exist
5MM	Does not exist
6MM	Does not exist

The Commission made a preliminary determination that the SACU industry is experiencing material injury.

### **8.3 CAUSAL LINK**

It was established that the subject product is exported at dumped prices by exporters/manufactures from Tanzania.

Taking into consideration the information submitted by the Applicant, the Commission made a preliminary determination that there is a causal link between the alleged dumping of the subject products and the material injury suffered by the SACU industry.

## 9. PROVISIONAL PAYMENTS

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### 9.1 Lesser Duty

The amount of provisional payments is the amount required to prevent further material injury being experienced by the SACU industry as a result of imports of the subject product originating in or imported from Tanzania at dumped prices during the course of the investigation before the Commission makes its final determination.

The “lesser duty” is the provisional payment to be imposed at the lesser of the margin of dumping and the margin of injury, which is deemed sufficient to remove the injury caused by the dumped imports.

Properly documented responses were received from Keda and its correlating importers of the subject product. The Commission made a preliminary determination to apply the lesser duty rule for purposes of its preliminary determination, in instances where the price disadvantage is lower than the dumping margin calculated. This is only applied if the exporter and its corresponding importers participate fully.

Exporter	Importer	Dumping margin	Price disadvantage
KEDA	<ul style="list-style-type: none"> <li>• Sunbromate</li> <li>• Elephant</li> <li>• Alpha</li> <li>• Regalus</li> <li>• Titan</li> </ul>	6,088%	15.33%

## 10. PROPOSAL

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The Commission made a preliminary determination that there is sufficient information to indicate that:

- dumping of the subject product originating in or imported from Tanzania is taking place;
- the SACU industry is experiencing material injury and a threat of material injury; and
- there is a causal link between the alleged dumped imports of the subject product originating in or imported from Tanzania and the material injury and threat of experienced by the SACU industry.

The Commission therefore decided to request the Commissioner for SARS to impose the following provisional measures for a period of 6 months on 3mm, 4mm, 5mm and 6mm clear float glass originating in or imported from Tanzania, classifiable under tariff subheadings 7005.29.17, 7005.29.23, 7005.29.25 and 7005.29.35 as follows:

Country	Thickness	Tariff subheading	Rate of duty
Tanzania	<b><i>KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	6,08%
	4 MM	7005.29.23	6,08%
	5 MM	7005.29.25	6,08%
	6 MM	7005.29.35	6,08%
	<b><i>All other manufacturers (excluding KEDA (Tanzania) Ceramics Company Limited</i></b>		
	3 MM	7005.29.17	25,88%
	4 MM	7005.29.23	25,88%
	5 MM	7005.29.25	25,88%
	6 MM	7005.29.35	25,88%