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(Translated Text)

The Ministry of Commerce, Industry and Energy News Release	http://www.mocie.go.kr
Please report this article in the evening edition on 24 November 2005 (Thursday).	
Article inquiry : Industry Damage Investigation Division, Division Chief Cha Dong-Hyeong, Secretary Lee Kyoung-Ho (2110-5562)	
Price Investigation Division, Division Chief Kim Jae-Deock, Secretary Um Jae-Young (2110-5573)	

**Korean Trade Commission,
The facts of import of dumping Chinese ceramic
tiles and the preliminary decision against
damaging domestic industry.**

- The Korean Trade Commission (member of a standing committee: Jung Jun-Suk) held its 226th meeting on 23 November 2005 (Wednesday),
- The Korea Trade Commission (KTC) under the Ministry of Commerce made a preliminary decision that Chinese firms are dumping tiles in Korea and asked the Ministry of Finance and Economy to levy provisional dumping duties of 7.25% -37.4% to prevent damage to the domestic industry before the final ruling is made.

- The provisional anti-dumping duties against the Chinese suppliers are as follows.
 - Haohong (7.25%), Siwaneagle (8.81%), Nanhig (9.49%), Foshan Xinzhogwei Economic and Trade Co., Ltd. (12.11%), Hueme (12.11%), Shunde Shuntao Commerce Co., Ltd. (12.90%), Guangdong New Zhong Yuan Ceramics Co., Ltd. (13.16%), Shangsi (23.33%), King Better Ceramics Co., Ltd. (27.92%), Shanghai Asia Ceramic Co., Ltd. (37.4%), Dalian Zheng Ren Trading Co., Ltd. (37.4%), Guangdong Nanhai Light Industrial Products Import & Export Co., Ltd. (37.4%), China National Medical Equipment & Supplies Import & Export Corp. (37.4%), E.T.C. (27.92%).
 - ※ Ceramic tile is mainly made from nonmetallic mineral, such as clay, china clay and feldspar, and it is a square in shape with 70mm ~ 1300mm on each side. It can be used as material for the exterior or interior and the floor of a building.
- On 29 April 2005, the Korean Trade Commission launched an investigation into allegations from local ceramic tile makers, such as Dae Dong Industry Co., Dae Bo Ceramic Co. and Han Bo Ceramic Co., that Chinese companies were selling their products at below-market prices.
 - Korean Trade Commission forms an investigation team. The team carries out preliminary investigation on domestic producers, importers, users and Chinese suppliers by questionnaires. Based on the findings of the preliminary investigation,
 - Import of dumping Chinese products is a fact. The Chinese products' market share has been increased continuously from 2001 to 2005. On the other hand, domestic products' market share has been decreased constantly. The total stock has been increased, and operating profit has changed from surplus to deficit. From these facts, it was determined that the domestic industry is being damaged.
- In 2004, the export volume from Chinese ceramic tiles suppliers to Korea was up about 403.4% as compared to that of 2001, occupying 35.2% of the market share.

- Such increase of export volume is caused by Chinese suppliers who convert their focus from China's domestic market to export markets, included Korea.
- * As of 2004, the domestic ceramic tile market was valued at 362.1 billion Won (US\$347.2 million), with 60.5% of the market held by local companies and the remainder by overseas firms. Among the imports, 56.5% were from China.
- The Korean Trade Commission shall carry out an on-the-spot investigation and a public hearing, in which the interested parties (domestic producers, importers, users and Chinese suppliers) shall be involved for three months. Then a final determination will be made.

References

1. The related materials of anti-dumping investigation for Chinese ceramic tiles
2. Anti-dumping investigation workflow

< Reference 1 >

The related information on the fact of import of dumping Chinese ceramic tiles and the preliminary decision against damaging domestic industry

1. Petitioner: Dae Dong Industry Co., Dae Bo Ceramic Co., Han Bo Ceramic Co, and Sungil Ceramic Co. (4 companies)
 - Date of application: 29 April 2005
2. Defendant (producer and exporter)
 - Shunde Shuntao Commerce Co., Ltd.: (順陶) (Producer)

- Shanghai Asia Ceramic Co., Ltd.: (亞細亞) (Producer)
- Guangdong New Zhong Yuan Ceramics Co., Ltd.: (新中源) (Producer)
- King Better Ceramics Co., Ltd.: (金百陶) (Producer)
- Foshan Xinzhogwei Economic and Trade Co., Ltd.: (Exporter)
- Dalian Zheng Ren Trading Co., Ltd.: (Exporter)
- New Zhong Yuan Ceramics Import and Export Co., Ltd.: (Exporter)
- Guangdong Nanhai Light Industrial Products Import & Export Co., Ltd.: (Exporter)
- China National Medical Equipment & Supplies Import & Export Corp.: (Exporter)

3. Users: Construction companies and others.

4. Material under investigation: ceramic tiles

- Definition: "tiles" stands for "ceramic tiles".
- Usage: It can be used as material for the exterior or interior and the floor of a building.

< The supply and demand situation in 2004 >

(Unit : Ton, Million Won)

Section	Demand		Total	Supply	
	Domestic Consumption	Export		Production	Import
Quantity	1,100,636	6,778	1,107,414	624,224	483,190
Price	362,142	6,235	368,337	225,456	142,921

(figure) Domestic Consumption is the sum of domestic shipping and income, Production is the sum of domestic shipping and export.

< Reference 2 > Anti-dumping investigation workflow

