

## 中華民國常駐世界貿易組織代表團 函

受文者：經濟部國際貿易局

發文日期：中華民國112年6月16日

發文字號：世貿字第1124340694號

速別：速件

密等及解密條件或保密期限：

附件：Notification-India-PVC Resins (G-SG-N-8-IND-34) 1件  
(1686942418\_Notification-India-PVC、Resins、(G-SG-N-8-IND-34).pdf)

主旨：檢送世貿組織（WTO）秘書處於本（2023）年6月15日公布  
印度將對聚氯乙烯樹脂（PVC Suspension Resins）採行  
防衛措施通知（如附件，文件代號G/SG/N/8/IND/34），  
敬請查照。

說明：

- 一、相關文號：本團111年10月13日世貿字第1114341028號  
函。
- 二、根據說明一本團前函，印度在2022年10月11日以代號G/SG  
/N/6/IND/48文件通知WTO會員，已針對旨揭產品在同年9月  
16日展開防衛調查。
- 三、根據附件通知，印度表示將在其商業暨產業部公告後開始  
實施，受限之產品是氯乙烯殘留量2 ppm以下之聚氯乙烯樹  
脂。本案之最終調查報告可自印度外貿總署網址  
(<https://www.dgtr.gov.in>) 上之公報查獲下載。
- 四、有關印方擬實施之防衛措施，根據其通知第7段，將以設定



每季進口數量上限 (quantitative restrictions) 之方式  
實施，核予我國之數量排名第二，次於中國大陸。印方依  
SG協定第12條第3項之規定，提供本案具實質出口利益之會  
員諮商機會，諮商之請求應自本通知起之10日內，向以下  
外貿總署之窗口 (dgft@nic.in) 提出，諮商將以視訊方式  
進行。

正本：經濟部國際貿易局

副本：行政院經貿談判辦公室、外交部、駐印度代表處經濟組(均含附件)





15 June 2023

(23-4098)

Page: 1/9

Committee on Safeguards

Original: English

**NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON  
SAFEGUARDS ON TAKING A DECISION TO APPLY A SAFEGUARD MEASURE**

**NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2  
OF THE AGREEMENT ON SAFEGUARDS**

INDIA

*PVC suspension resins with Residual VCM above 2 PPM*

The following communication, dated and received on 14 June 2023, is being circulated at the request of the delegation of India.

In continuation to WTO document G/SG/N/6/IND/48 dated 11 October 2022, India notifies that there has been a finding of serious injury or threat thereof caused by increased imports of the product PVC suspension resins with Residual VCM above 2 PPM.

**1 INFORMATION ON WHETHER THERE IS AN ABSOLUTE INCREASE IN IMPORTS**

Imports of the product under consideration (i.e., PVC Suspension Resins with RVCM content above 2PPM) has increased substantially in absolute terms over a very short period. The imports of the PUC have shot up suddenly during January to June 2022. Import volumes have doubled in the most recent period as compared to 2019-20 to 2020-21. Overall imports of the PUC have increased by almost 115% from the base year. It is clearly evident that there has been a recent, sudden, sharp and significant increase in imports of the PUC.

Particulars	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22	
					Actual	Annualised
PUC (PVC Suspension Resins With RVCM above 2 PPM)	MT	2,12,949	1,71,525	2,65,967	2,29,197	4,58,394
Like article (PVC Suspension Resins with RVCM up to 2 PPM)	MT	9,26,313	9,74,242	9,03,326	4,28,808	8,57,617
Total Imports	MT	11,39,263	11,45,767	11,69,293	6,58,006	13,16,011
Increase in imports						
PUC	MT		(41,424)	94,442		1,92,427
Like article	MT		47,929	(70,916)		(45,709)
Total Imports	MT		6,505	23,526		1,46,718

The imports of the product under consideration have increased by almost 15% in the most recent period when compared to the same period in the previous year i.e., January 2021-June 2021 and increased by 102% when compared to January 2020-June 2020. Imports of PVC Suspension Resin with RVCM content up to 2PPM during the period January 2021-June 2021 have more or less remained the same as compared to the same period in the previous year. There has been a decline

in import volumes of these goods in the January 2022-June 2022 period. It is thus concluded that the imports of product the under consideration have increased in absolute terms in the most recent period.

## 2 SERIOUS INJURY OR THREAT THEREOF CAUSED BY INCREASED IMPORTS

### A) SERIOUS INJURY

An evaluation of the overall position of the Domestic Industry (DI), in the light of almost all the relevant factors, having a bearing on the situation of the DI, shows a significant overall impairment.

The domestic industry has started suffering serious in the most recent period, as profits, cash profits and profits as a percentage of selling price of the domestic industry declined significantly. Further, the inventories of the domestic industry increased significantly in the most recent period. The serious injury to the domestic industry is due to imports of product under consideration.

Evidence of serious injury has been analysed and explained in subsequent paragraphs. The Directorate General of Trade Remedies (DGTR) has thus concluded that DI has suffered serious injury.

### B) THREAT OF SERIOUS INJURY

It is noted that the imports of the product under consideration have not only increased in relation to total imports, but also Indian production, demand and sales of domestic producers.

Increase in imports in absolute terms shows a clear surge in imports and has a rising trend, which is significant enough to constitute "increased imports" within the meaning of Section 8B of the Customs Tariff Act, 1975. Increased imports of the PUC threaten to cause serious injury to the DI.

## 3 EVIDENCE OF SERIOUS INJURY

### A) ASSESSMENT OF DEMAND/CONSUMPTION

The demand for the product has increased throughout and in the most recent period. Further, demand in the most recent period (on annualised basis) was higher as compared to the demand in the base year. However, so significant was the increase in the volume of imports of the subject product that whereas the demand increased by \*\*\* MT in the most recent period as compared to the base year, the subject imports increased by \*\*\*MT, which amounts to around 87% of the increase in demand. Thus, the growth in consumption was largely encapsulated by imports of the subject product.

Particulars	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22	
					Actual	Annualised
Domestic Industry-Sales	MT	***	***	***	***	***
	Indexed	100	103	116	63	126
Other producers-Sales	MT	***	***	***	***	***
	Indexed	100	95	94	51	102
Imports of PUC	MT	2,12,949	1,71,525	2,65,967	2,29,197	4,58,394
Imports of like article	MT	9,26,313	9,74,242	9,03,326	4,28,808	8,57,617
Demand/Consumption	MT	***	***	***	***	***
Trend	Indexed	100	99%	101%	56%	112%

### B) EVOLUTION OF PRICES OVER THE PERIOD

It is seen that the difference between the landed price of the PUC and the like article during the most recent period increased as compared to the base year and the previous year. Further, there has been an increase in the price difference between the PUC and the like article since 2021-22 and this pattern has continued in the most the recent period.

Landed prices	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22
PUC	₹/MT	65,754	81,281	1,21,784	1,27,503
Like article	₹/MT	68,504	80,141	1,23,615	1,31,951
Difference	₹/MT	-2,749	1,140	-1,831	-4,448

**C) PRICE UNDERCUTTING:**

It is noted that the imports of the PUC were priced below the selling price of the domestic industry and causing price undercutting.

Particulars	Unit	PUC	Like Article
Net Sales realisation	₹/MT	***	***
Landed Price	₹/MT	1,27,503	1,31,951
Price Undercutting	₹/MT	***	***
Price Undercutting	%	***	***
Price Undercutting	Range	5-15%	1-5%

**D) PRICE SUPPRESSION/DEPRESSION**

It is seen that in the most recent period (January-June, 2022), whereas the cost of sales of the like article manufactured by the domestic industry increased by ₹ \*\*\* per MT, the selling price has declined by ₹\*\*\*per MT. Although, the landed value of the imported PUC has increased, it is noted that, despite such increase, the landed price of the PUC is below the cost of sales as well as the selling price of the domestic industry. The imports are thus depressing the prices and preventing the price increase that would have otherwise happened in absence of such low-priced imports of the PUC.

Particulars	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22
Cost Of sales	₹/MT	***	***	***	***
	Indexed	100	113	162	166
Landed Price	₹/MT	***	***	***	***
	Indexed	100	124	185	194
Selling Price	₹/MT	***	***	***	***
	Indexed	100	130	185	183

**E) MARKET SHARE**

It is seen that the market share of the product under consideration has increased significantly in the most recent period, whereas the market share of domestic producers as a whole and other domestic suppliers of the PUC declined in the most recent period. The domestic industry has maintained its market share by lowering its selling price. The domestic producers have not been able to take advantage of the growth in consumption which has largely been captured by the imports of the PUC.

Particulars	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22
Domestic Industry	%	***	***	***	***
Trend	Indexed	100	107	114	114
Other Producers	%	***	***	***	***
Trend	Indexed	100	95	92	89
Domestic Producers as a whole	%	***	***	***	***
Trend	Indexed	100	98	98	96
Imports of subject product	%	***	***	***	***
Trend	Indexed	100	78	122	189
Imports of like article	%	***	***	***	***
Trend	Indexed	100	108	97	82
Total Demand	%	***	***	***	***
Trend	Indexed	100	107	114	114

**F) CAPACITY, PRODUCTION, CAPACITY UTILIZATION AND DOMESTIC SALES**

The growth in demand was largely captured by the imports of the PUC due to which the domestic industry was not able to take advantage of the growth in demand.

Particulars	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22	
					Actual	Annualised
Installed Capacity	MT	***	***	***	***	***
	Indexed	100	100	103	52	103
Production	MT	***	***	***	***	***
	Indexed	100	100	115	58	117
Capacity Utilization	MT	***	***	***	***	***
	Indexed	100	100	112	113	113
Domestic Sales	MT	***	***	***	***	***
	Indexed	100	103	116	63	126

**G) INVENTORY**

The inventories with the domestic industry increased substantially in the most recent period, showing \*\*\*% increase in the most recent period as compared to the previous year. Even though the sales of domestic industry have slightly increased in the 'most recent period', due to surge in imports of the PUC, the domestic industry was not able to take advantage of the full growth in demand because of which the inventories of the domestic industry have accumulated.

Particulars	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22	
					Actual	Annualised
Average Inventories	MT	***	***	***	***	***
Trend	Indexed	100	73	35	197	197

**H) PROFIT/LOSS**

It is seen that domestic industry was suffering losses in the base year. The domestic industry was incurring losses during the base year; however, the domestic industry was making profits from the year 2020-21 till June 2022. However, it is seen that there is a decline in profitability of the domestic industry during the most recent period, which is an indication of imminent injury to the domestic industry. Further, the selling price of the domestic industry was also below the cost of sales in the base year due to which the domestic industry suffered losses in the base year. It is further seen that while the profitability of the domestic industry improved in 2020-21 & 2021-22, the profitability parameters in terms of per unit profits, cash profits per unit and profits as a percentage of selling price declined in the most recent period as compared to 2020-21 and 2021-22.

Particulars	Unit	2019-20	2020-21	2021-22	Jan-Jun' 22
Profits/Losses	₹/MT	(***)	***	***	***
	Indexed	(100)	288	386	246
Cash Profits	₹/MT	(***)	***	***	***
	Indexed	(100)	612	788	546
Profit as a % of selling price	₹/MT	(***)	***	***	***
	Indexed	(100)	221	208	134

**4 UNFORESEEN DEVELOPMENTS**

Due to the Russia-Ukraine conflict, the oil prices increased. Due to the increase in oil prices, the cost of production of petrochemicals increased globally. This resulted in increase in cost of production of PVC Suspension Resins manufactured through ethylene route.

It is also noted that PVC Suspension Resin with RVCM content above 2 PPM is primarily manufactured through the carbide route (where prices of coal have remained stable), whereas PVC Suspension Resin with RVCM content up to 2 PPM is primarily manufactured through the ethylene route (where prices have been impacted by the Russia- Ukraine conflict). As a result of increase in VCM costs, the

price of PVC Suspension Resin increased. This led to increase in imports of product under consideration in India, as these producers of resin above 2 PPM did not face these cost increases.

There was a disparity between consumption and production of the product under consideration in China due to COVID-19 related lockdowns, (b) the product is majorly consumed in the eastern part of China which faced significant number of lock downs due to COVID-19, whereas the product under consideration is majorly produced in the western part of China, which did not face as much lockdowns as was faced in the eastern-part. This led to shutdown of the downstream industry, resulting in decline in demand of the product under consideration in China, without proportionate reduction in production.

Due to this imbalance, the production of the product did not decline commensurate to decline in demand, resulting in significant material available with these producers at a cost much lower than the cost of producers through ethylene route. Further, manufacturing of PVC Suspension Resins is a continuous process leading to inventory build-up, if not sold in the market. The domestic industry submitted that inventory build-up beyond certain limits is not even an option with any producer and therefore producers have to continuously sell the product.

## 5 ADJUSTMENT PLAN

The imposition of quantitative measures is recommended only for a period of one year. Further, given the fact that the measure has been imposed only for a period of one year, it has not been considered necessary to make determination regarding the appropriateness of adjustment plan brought by the applicants.

## 6 PRODUCT INVOLVED

The product under consideration (PUC) is "Poly Vinyl Chloride (PVC) Suspension Resins with Residual Vinyl Chloride Monomer (RVCM) above 2 PPM" and is used in pipes, packaging, wiring and insulations, medical products, automotive applications, artificial leather for diverse applications like upholstery, furnishing, jackets, purse, belts, shoes, consumer goods etc. For more details, kindly see the copy of the attached Final Findings dated 15th of May 2023 and can be seen at <https://www.dgtr.gov.in>.

## 7 PRECISE DESCRIPTION OF THE PROPOSED MEASURE

DGTR, the competent authority has recommended imposition of quantitative restrictions on imports of the PUC into India in quantity (MT) as specified in the Table below.

**Quotas (in MT)**

<b>Quarter</b>	<b>1st</b>	<b>2<sup>nd</sup></b>	<b>3<sup>rd</sup></b>	<b>4<sup>th</sup></b>
Total PUC	<b>54,203</b>	<b>54,920</b>	<b>55,646</b>	<b>56,382</b>
Imports from China	20,494	20,765	21,039	21,317
Imports from Chinese Taipei	15,100	15,299	15,502	15,707
Imports from USA	9,690	9,818	9,948	10,079
Imports from Russia	8,920	9,038	9,157	9,279
Imports from other developing countries	Countries as per list below are exempt from imposition of safeguards measure			
Imports from other developed countries	No known imports of the product under consideration above 2 PPM			

## 8 FURTHER INFORMATION

The Final Findings were published in Gazette of India on 15th of May 2023 and can be seen at <https://www.dgtr.gov.in>.

## **9 PROPOSED DATE OF IMPOSITION OF SAFEGUARD MEASURE**

The safeguard measure will be applicable from the date of issue of notification in this regard by the Department of Commerce, Ministry of Commerce and Industry, Government of India.

## **10 INVITATION FOR CONSULTATIONS**

Consistent with Article 12.3 of the Agreement on Safeguards, India proposes to give an opportunity for consultation for those Members having substantial interest as exporters of the product concerned, for the purpose of exchanging views on the measure proposed. Members who wish to engage in consultations may contact the Directorate General of Foreign Trade (DGFT), New Delhi addressed to DGFT at [dgft@nic.in](mailto:dgft@nic.in) within 10 days from the date of issuance of this notification. Consultations will take place in a virtual setting.



## NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2 OF THE AGREEMENT ON SAFEGUARDS

### 1 SPECIFY THE MEASURE

#### Quotas (in MT)

Quarter	1st	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
Total PUC	<b>54,203</b>	<b>54,920</b>	<b>55,646</b>	<b>56,382</b>
Imports from China	20,494	20,765	21,039	21,317
Imports from Chinese Taipei	15,100	15,299	15,502	15,707
Imports from USA	9,690	9,818	9,948	10,079
Imports from Russia	8,920	9,038	9,157	9,279
Imports from other developing countries	Countries as per list below are exempt from imposition of safeguards measures			
Imports from other developed countries	No known imports of the product under consideration above 2 PPM			

### 2 SPECIFY THE PRODUCT SUBJECT TO THE MEASURE

The product under consideration (PUC) is "Poly Vinyl Chloride (PVC) Suspension Resins with Residual Vinyl Chloride Monomer (RVCM) above 2 PPM".

### 3 SPECIFY THE DEVELOPING COUNTRIES TO WHICH THE MEASURE IS NOT APPLIED UNDER ARTICLE 9.1 OF THE AGREEMENT ON SAFEGUARDS, AND THE IMPORT SHARE OF THESE COUNTRIES INDIVIDUALLY AND COLLECTIVELY

As the imports from the developing countries listed in the notification no. 19/2016-customs (NT) dated 5 February, 2016, other than China PR, do not exceed 3% individually and 9% collectively, imports of "Poly Vinyl Chloride (PVC) Suspension Resins with Residual Vinyl Chloride Monomer (RVCM) above 2 PPM" originating from such developing countries (other than China PR) will not attract Quantitative Restrictions in terms of Section 9A(1) of the Foreign Trade (Development and Regulation) Act, 1992, as amended.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY,  
PART II, SECTION 3, SUB-SECTION (I)]**

Government of India Ministry of Finance  
(Department of Revenue)  
(Central Board of Excise and Customs)  
**Notification**

**No.19/2016-Customs (N.T.)**

New Delhi, 5th February, 2016

G.S.R.(E).- In pursuance of clause (a) of sub-section (6) of section 8B of the Customs Tariff Act, 1975 (51 of 1975) and in supersession of notification of the Government of India in the Ministry of Finance, Department of Revenue, No.103/98 Cus, dated the 14th December, 1998, published in the Gazette of India, Extraordinary vide number G.S.R. 737(E), dated the 14th December, 1998, except as respects things done or omitted to be done before such supersession, the Central Government, hereby notifies the following countries as developing countries for the purposes of the said section, namely:

1	Afghanistan	45	Ghana	89	Palestine
2	Albania	46	Grenada	90	Panama
3	Algeria	47	Guatemala	91	Papua New Guinea
4	Angola	48	Guinea	92	Paraguay
5	Armenia	49	Guinea Bissau	93	Peru
6	Azerbaijan	50	Guyana	94	Philippines
7	Bangladesh	51	Haiti	95	Republic of Moldova
8	Belarus	52	Honduras	96	Romania
9	Belize	53	Indonesia	97	Rwanda
10	Benin	54	Iran (Islamic Republic of)	98	Saint Lucia
11	Bhutan	55	Iraq	99	Saint Vincent and the Grenadines
12	Bolivia (Plurinational State of)	56	Jamaica	100	Samoa
13	Bosnia and Herzegovina	57	Jordan	101	Sao Tome and Principe
14	Botswana	58	Kazakhstan	102	Senegal
15	Brazil	59	Kenya	103	Serbia
16	Bulgaria	60	Kiribati	104	Sierra Leone
17	Burkina Faso	61	Kyrgyz Republic	105	Solomon Islands
18	Burundi	62	Lao People's Democratic Republic	106	Somalia
19	Cabo Verde	63	Lebanon	107	South Africa

20	Cambodia	64	Lesotho	108	South Sudan
21	Cameroon	65	Liberia	109	Sri Lanka
22	Central African Republic	66	Libya	110	Sudan
23	Chad	67	Madagascar	111	Suriname
24	China	68	Malawi	112	Eswatini
25	Colombia	69	Malaysia	113	Syrian Arab Republic
26	Comoros	70	Maldives	114	Tajikistan
27	Congo	71	Mali	115	Thailand
28	Costa Rica	72	Marshall Islands	116	The former Yugoslav Republic of North Macedonia
29	Côte D'Ivoire	73	Mauritania	117	Timor-Leste
30	Cuba	74	Mauritius	118	Togo
31	Democratic People's Republic of Korea	75	Mexico	119	Tonga
32	Democratic Republic of the Congo	76	Micronesia (Federal State of)	120	Tunisia
33	Djibouti	77	Mongolia	121	Türkiye
34	Dominica	78	Montenegro	122	Turkmenistan
35	Dominican Republic	79	Morocco	123	Tuvalu
36	Ecuador	80	Mozambique	124	Uganda
37	Egypt	81	Myanmar	125	Ukraine
38	El Salvador	82	Namibia	126	United Republic of Tanzania
39	Eritrea	83	Nepal	127	Uzbekistan
40	Ethiopia	84	Nicaragua	128	Vanuatu
41	Fiji	85	Niger	129	Viet Nam
42	Gabon	86	Nigeria	130	Yemen
43	The Gambia	87	Pakistan	131	Zambia
44	Georgia	88	Palau	132	Zimbabwe