

Jamaica's anti-dumping commission has determined that the importation of Vulcan-made cement, the American-made product, is of no threat to the local industry, clearing the way for Tank-Weld Metals to continue trading the product here.

The ruling has been welcomed by developers, for whom the price of cement has direct bearing on profit margins.

The Anti-Dumping and Subsidies Commission (ADSC), based on a complaint by Caribbean Cement Company Limited (CCCL), previously ruled on April 8 that there was a margin of dumping, which it estimated at 59.72 per cent. But in its subsequent three-month review of the impact on the domestic market, the agency has now found that the Portland blast furnace slag blended cement, made by Vulcan Materials Limited of Alabama, bears no threat.

"We are very pleased overall with the final determination of the Anti-Dumping Commission in our favour. This is not only a victory for Tank-Weld, but for consumers in the construction sector," said Tank-Weld Chief Executive Officer Chris Bicknell on Friday.

"Jamaica will continue to enjoy the benefits of competition in the cement market, and will be better protected against a repeat of the crisis which occurred in 2006."

Caribbean Cement, Jamaica's sole manufacturer of cement, did not immediately respond to requests for comment. The ruling was handed down last Thursday.

Unlike the results in April, where there was a split among the commissioners with ADSC chairman Derrick McKoy disagreeing with Dr Velma Brown Hamilton, Leslie Campbell and Sandra Shirley that there was a "threat of material injury" to the domestic market, except for the fifth commissioner, Hyacinth Lightbourne, whose signature is not on the document, the decision this time around was unanimous.

"The commission examined the evidence offered on the record of material injury to the domestic industry and assessed the potential for material injury to the domestic industry. The commission determined that the dumping has not caused, is not causing and is not likely to cause material injury to the domestic industry," the commissioners ruled.

"Accordingly, the commission makes a negative final determination in the matter and closes the investigation."

CCCL has won three previous anti-dumping cases, after which the Jamaican Government slapped heavy duties on cement imported from Indonesia, 56.21 per cent; Thailand, 87.91 per cent; and China, 96.27 per cent.

The Trinidad-owned company has two similar matters pending before the anti-dumping commission against Arc Systems and Buying House for cement from the Dominican Republic.

Key to ADSC's final ruling would have been the US supplier's cooperation with the investigation, which Kibret Beckford, general manager at the commission, initially described as a hindrance to the probe.

The opportunity for Tank-Weld's entry into the cement market was opened by Caribbean Cement itself, which became preoccupied in 2008 with a US\$177 million expansion of its Rockfort plant in Kingston.

The project was finalised in mid-2009, and since then the monopoly producer has signalled its intent to take 100 per cent control of the market to pay for the investment in the plant in the shortest possible period.

It currently has about 85 per cent control.

"We are happy that some level of competition will continue in the market," said Raymond Cooper, president of the Incorporated Masterbuilders Association of Jamaica, "It is also strategically important to Jamaica that we maintain our capacity to produce cement locally, so we are pleased that it is found that the local manufacturer will not be affected."

The Bruce Golding administration, in the past two years, has shown a preference to have the market remain open to imports, and has gone time and again to COTED for waivers on duties to allow products to enter Jamaica unfettered.

Last Thursday, Prime Minister Golding made it clear the position had not changed.

Speaking at the official opening of Caribbean Cement's Kiln No. 5 on the grounds of the company's Rockfort plant in Kingston, Golding said his administration views competition in the market as necessary to ensure stability in supply.

*Mark Titus, Sunday Gleaner, 11 July 2010.*