

# Non-Confidential New Zealand Customs Service Instructions

## Oral Liquid Paracetamol from the Republic of Ireland Instruction Reference: RCP/8/7/1/2 Valid from: 18 July 2006 to 30 March 2010

Shaded information is confidential and in accordance with sections 9(2)(b)(ii) and 9(2)(a)(i) of the Official Information Act 1982 cannot be released. A non-confidential version is available at [http://www.med.govt.nz/templates/StandardSummary\\_\\_\\_13567.aspx](http://www.med.govt.nz/templates/StandardSummary___13567.aspx) or from the Audit Officer, Customs Ports and International Trade Unit of New Zealand Customs Service.

### 1. Goods Covered

1. Following an investigation pursuant to the Dumping and Countervailing Duties Act 1988, the Minister of Commerce has determined that dumped oral liquid paracetamol (OLP) imported from Republic of Ireland (Ireland) is dumped and threatens to cause material injury to the New Zealand OLP manufacturing industry.
2. Anti-dumping duties have been imposed on some OLP imported from Ireland. The anti-dumping duties take effect on and from 18 July 2006.

#### 1.1 Description

3. The goods subject to anti-dumping duties are described below. Pack sizes are expressed in millilitres (ml) and strength in milligrams (mg).

Strength	Pack Size
120mg/5mls	1000ml
250mg/5mls.	1000ml

4. OLP is currently classified under Tariff Item and Statistical Keys 3003.90.09.10K and 3004.90.19.19G of the Tariff of New Zealand, which classification is provided for convenience only.
5. The anti-dumping duty only applies to oral liquid paracetamol and does not apply to elixirs or other forms of paracetamol such as tablets.

#### 1.2 Country of Origin

6. The country of origin of the subject goods is the Republic of Ireland (Ireland).

## 2. Anti-Dumping Duties

---

### 2.1 Description

7. The anti-dumping duties are imposed as reference prices. The reference prices are set at non-dumped levels in the form of a Normal Value (Value For Duty Equivalent) (NV(VFDE)).
8. The NV(VFDE) is compared with the value for duty (VFD), which is equivalent to the free on Board (FOB) price, to establish if any anti-dumping duty is payable. The NV(VFDE)s are set in Euros (EUR).
9. The NV(VFDE) amounts apply to all exporters of OLP originating from Ireland. During the investigation Pinewood Laboratories Limited (Pinewood) was the only known exporter from Ireland.

### 2.2 Method

10. Anti-dumping duty is payable on 1000ml OLP entered for New Zealand consumption if the NV(VFDE) exceeds the FOB price.
11. The NV(VFDE) can be compared directly with the invoice price if it is in Euros and if the FOB price is less than the NV(VFDE) then the difference can then be converted to New Zealand dollars at the date of import using the relevant Customs exchange rate.
12. If the invoice price is in another currency, then both the NV(VFDE) and the FOB invoice price should be converted into New Zealand dollars. If the FOB NZD price is greater than, or equal to the NV(VFDE) in NZD, no anti-dumping duty is payable.
13. Any difference calculated when the FOB price is less than the NV(VFDE) should be multiplied by the relevant number of units to calculate the amount of anti-dumping duty payable.

### 2.3 Rates of Duty

14. Table 1 shows the NV(VFDE) amounts that apply. Presentation size may not be listed on the invoices so Pinewood's product codes may need to be referred to in order to establish the size of the presentation imported.

**Table 1: NV(VFDE) Amounts**

<b>Presentation Size (ml)</b>	<b>Strength (mg/5ml)</b>	<b>Pinewood Product Codes</b>	<b>NV(VFDE) amount (EUR)</b>
1000	120	██████████	€██████
1000	250	██████████	€██████

15. Imports of 100ml, 200ml and 500ml sizes of OLP **do not** attract any anti-dumping duty.

## 2.4 Example of Duty Calculation

16. The following example sets out the steps to follow in calculating anti-dumping duty for 1000ml OLP from Ireland.

### Example

AFT Pharmaceuticals Limited (AFT) imports OLP from Pinewood. The invoice is in British Pounds (GBP).

Product Code	Description of the Goods	Quantity	Unit Price (GBP)	Line Total
██████	Paracetamol Suspension 120mg/5ml Parapaed AFT NZ 100ml	██████	██████	██████
██████	Paracetamol Suspension 120mg/5ml Parapaed AFT NZ	██████	██████	██████
██████	Paracetamol Suspension 250mg/5ml Parapaed AFT NZ 200ml	██████	██████	██████
██████	Paracetamol Suspension 250mg/5ml Parapaed AFT NZ	██████	██████	██████

The exchange rates are: GBP1=NZD 2.9172, NZD1=EUR0.5014 and EUR1=NZD1.9969.

#### Step 1- Determine whether the invoice contains any 1000ml OLP:

Lines 2 and 4 contain 1000ml OLP (see Table 1).

#### Step 2. Convert the NV(VFDE) and the FOB price to NZD:

Line 2 of the invoice: 1000ml 120mg: GBP ██████ X 2.9172=NZD ██████.

Line 4 of the invoice: 1000ml 250mg: GBP ██████ X 2.9172=NZD ██████.

Convert the NV(VFDE) amounts from Table 1 into NZD:

NV(VFDE) 1000ml 120mg: EUR ██████ X 1.9969 = NZD ██████.

NV(VFDE) 1000ml 250mg: EUR ██████ X 1.9969 = NZD ██████.

**Step 3. Compare the relevant NV(VFDE) amounts with FOB prices:**

<b>Product</b>	<b>NV(VFDE) amount</b>	<b>FOB Price</b>	<b>Difference</b>
1000ml 120mg	NZD [ ]	NZD [ ]	-NZD [ ]
1000ml 250mg	NZD [ ]	NZD [ ]	NZD [ ]

For the 120mg strength the FOB price is higher than the NV(VFDE) so no anti-dumping duty is payable.

For the 250mg strength the FOB price is lower than the NV(VFDE) so anti-dumping duty is payable as follows: [ ] units X NZD [ ] = NZD [ ].

### **3. Contact Information**

---

17. Should you have any queries regarding the operation of the anti-dumping duties please contact the Trade Remedies Group as shown below:

**Contact for this Investigation:** Gabrielle Nixon  
Direct Telephone: (04) 470-2277  
Email: traderem@med.govt.nz

**Trade Remedies General Contacts:**  
Telephone: (04) 472-0030  
Facsimile: (04) 499-8508  
Email: traderem@med.govt.nz  
Postal Address: Trade Remedies Group  
Regulatory and Competition Policy  
Ministry of Economic Development  
PO Box 1473  
WELLINGTON  
Street Address: 33 Bowen St  
WELLINGTON

18. For more information regarding anti-dumping duties see the Ministry's Frequently Asked Questions at [http://www.med.govt.nz/templates/Page\\_\\_\\_\\_\\_13226.aspx](http://www.med.govt.nz/templates/Page_____13226.aspx).