



**Australian Government**  
**Anti-Dumping Commission**

Application for a  
review of  
anti-dumping measures

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APPLICATION UNDER SECTION 269ZA OF THE *CUSTOMS ACT 1901*  
FOR A REVIEW OF ANTI-DUMPING MEASURES

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In accordance with section 269ZA of the *Customs Act 1901*, I request that the Anti-Dumping Commissioner initiate a review of anti-dumping measures in respect of the goods the subject of this application to:

1.  **revise the level of the measures** because one or more of the variable factors relevant to the taking of measures have changed (a variable factors review)

In this case the factors that I consider have changed are:

- normal value  
 export price  
 non injurious price  
 subsidy

The variable factors review is in relation to:

- a particular exporter—*Press Metal International Ltd (PMI)*  
*Area C, Sanshui Industrial Park, Sanshui District, Foshan*  
*City, China*

- exporters generally

**and**

2.  **revoke the measures** because the anti-dumping measures are no longer warranted (a revocation review)

In this case the measure I consider should be revoked is:

- the dumping duty notice  
 the countervailing duty notice  
 the undertaking

The revocation review is in relation to:

- a particular exporter  
  
 exporters generally

**NOTE**

Where seeking variable factors review as well as a revocation review, indicate this in *both* 1 and 2 above.

## DECLARATION

I believe that the information contained in this application:

- provides reasonable grounds for review of the anti-dumping measure; and
- is complete and correct to the best of my knowledge and belief.



Signature:

Name: Geoffrey Cantelo

Position: Advisor

Geoffrey Cantelo International Associates-- sole trader

ABN: 25 389 613 075

Date: 2 July 2015

**Signature requirements**

Where the application is made:

*By a company* - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

*By a joint venture* - a director, servant, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

*On behalf of a trust* - a trustee of the trust must sign the application.

*By a sole trader* - the sole trader must sign the application.

*In any other case* - contact the Commission's client support section for advice.

**Assistance with the application**

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the '*Instructions and Guidelines for applicants: Application for review or revocation of measures*' on the Commission's website.

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

**Phone:** 1300 884 159 or +61 2 6275 6066 (outside Australia)

**Fax:** 1300 882 506 or +61 2 6275 6888 (outside Australia)

**Email:** [clientsupport@adcommission.gov.au](mailto:clientsupport@adcommission.gov.au)

Other information is available from the Commission's website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

Small and medium enterprises (i.e., those with up to 200 employees) may obtain assistance, at no charge, from the International Trade Remedies Adviser, employed by Australian Industry Group and funded by the Australian government. To access this service, visit [www.aigroup.com.au/traderemedies](http://www.aigroup.com.au/traderemedies) or telephone (03) 9867 0267.

**Required information**

1. Provide details of the name, street and postal address, of the applicant seeking the continuation.
2. Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.
3. Name other parties supporting this application.
4. Describe your interest as an affected party (eg are you concerned with the exportation of the goods, the importation of the goods, or part of the Australian industry, or acting on behalf of the Government of an exporting country).
5. Provide details of the current anti-dumping measure(s) the subject of this review application, including:
  - tariff classification
  - the countries or companies
  - specified date of publication of the measure

6. Provide the names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest in this matter e.g. Australian manufacturers, importers, exporters and/or users.

**Applications for review of variable factors**

If you are applying for a variable factors review (in box 1 above) provide a detailed statement setting out your reasons. Include information about:

- the factor(s) you wish to have reviewed;
- the amount by which that factor is likely to have changed since anti-dumping measures were last imposed, and evidence in support; and
- in your opinion the causes of the change and whether these causes are likely to persist.

**Application for a revocation review**

If you are applying for a revocation review (in box 2 above), provide a detailed statement setting out your reasons.

Include evidence in support of your view that there are reasonable grounds for asserting that the measures are no longer warranted. Refer to the “Guidelines for Preparing an Application for Review of Measures” as part of preparing your response. If you consider anti-dumping measures are no longer warranted because of:

- *no dumping or no subsidisation*: provide evidence that there is no dumping, or no subsidy, and why dumping or subsidisation is unlikely to recur if measures were revoked.
- *no injury*: provide evidence that there is no current injury, and there is unlikely to be a recurrence of injury if the measures were to be revoked.

**Lodgement of the application**

This application, together with the supporting evidence, should be lodged with:

The National Manager - Operations  
Anti-Dumping Commission  
Customs House  
1010 Latrobe St  
Docklands VIC 3008

or

Sent by facsimile to **1300 882 506**

or **+61 2 6275 6888 (outside Australia)**

**Public Record**

During an investigation all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission’s website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application must be submitted. Please ensure each page of the application is clearly marked “FOR OFFICIAL USE ONLY” or “PUBLIC RECORD”. The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the review, or, if those reasons cannot be summarised, a statement of reasons why summarisation is not possible. If you cannot provide a non-confidential version, contact the Commission’s client support section for advice.



*Public version*

**Press Metal International Ltd  
Application for Review of Measures**

**Name, street and postal address,  
of the applicant seeking the  
review**

Press Metal International Ltd (PMI)  
Area C, Sanshui Industrial Park  
Sanshui District, Foshan City, China

**Contact person, including their  
position, telephone number and  
facsimile number, and e-mail  
address**

Geoffrey Cantelo  
14 Hawthorne St  
Ramsgate NSW 2217  
Phone + 61 2 9529 9114  
Mobile + 61 419 255 779  
Email geoff@cantelo.com.au

**Other parties supporting this  
application**

Press Metal Aluminium (Australia) Pty Ltd (PMA)  
1012-1016 Canley Vale Rd  
Wetherill Park NSW 2164

**Interest as an affected party**

PMI exports aluminium extrusions the subject of these measures from China to Australia to PMA, the importer

**Details of the current measure/s  
the subject of this review  
application, including:**

Aluminium extrusions produced via an extrusion process, of alloys having metallic elements falling within the alloy designations published by The Aluminium Association commencing with 1, 2, 3, 5, 6 or 7 (or proprietary or other certifying body equivalents), with the finish being as extruded (mill), mechanical, anodized or painted or otherwise coated, whether or not worked, having a wall thickness or diameter greater than 0.5 mm., with a maximum weight per metre of 27 kilograms and a profile or cross-section which fits within a circle having a diameter of 421 mm

The goods include aluminium extrusion products that have been further processed or fabricated to a limited extent, after aluminium has been extruded through a die. For example, aluminium extrusion products that have been painted, anodised, or otherwise coated, or worked (e.g. precision cut, machined, punched or drilled) fall within the scope of the goods

The goods do not extend to intermediate or finished products that are processed or fabricated to such an extent that they no longer possess the nature and physical characteristics of an aluminium extrusion, but have become a different product

- **tariff classification**

7604.10.00 (statistical code 6)  
7604.21.00 (statistical codes 7 and 8)  
7604.29.00 (statistical codes 9 and 10)  
7608.10.00 (statistical code 9)  
7608.20.00 (statistical code 10)  
7610.10.00 (statistical code 12)  
7610.90.00 (statistical code 13)
  
- **the countries or companies**

Peoples Republic of China
  
- **specified date of publication of the measure**

28 October 2010—the Attorney-General published a dumping duty and countervailing duty notice for aluminium extrusions exported to Australia from China

27 August 2011—the Attorney-General published new substituted notices following a reinvestigation

**Names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest**

Capral Ltd  
4/60 Phillip St  
Parramatta NSW 2150  
Phone + 61 2 9682 0710  
Fax + 61 2 8222 0130



**Reasons PMI Applies for a *Variable Factors* Review**

**Background**

The following table explains PMA’s more recent importing history

**PMH** means PMH Aluminium Extrusion Co Ltd—based in Hubei province

Until mid-2014, Press Metal Berhad (listed on the Bursa Malaysia Stock Exchange) (**PMB**) owned, directly or indirectly 100% of PMI and PMH and 70% of PMA. From [REDACTED], PMB has owned 100% of, also, PMA

**PMA China Milled Aluminium Extrusions Imports  
Tonnes**

			<b>Total</b>
27 April 2010 to 26 April 2011	[REDACTED]	[REDACTED]	[REDACTED]
27 April 2011 to 26 April 2012	[REDACTED]	[REDACTED]	[REDACTED]
27 April 2012 to 26 April 2013	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	Primarily fabricated and polished/bright (anodised) finishes	Primarily stock mill finish, anodised and powder coat without fabricating or polishing	

Fabricated, polished and bright finish extrusions carry a significantly higher cost to make than stock mill finish, anodised and powder coated extrusions

From April 2010 to [REDACTED] PMI sourced over [REDACTED] % of its single largest material input, aluminium billet, from [REDACTED]

PMA shipments [REDACTED] attracted anti-dumping and countervailing duty from 27 April 2010 to the [REDACTED] China milled shipment (from PMI) that arrived in Australia on [REDACTED]—on the basis of PMI and PMH as *residual exporters*—listed in Appendix 6 of *Report to the Minister No 148* as PMH Aluminium Extrusion Co Ltd (PMH) and Press Metal International Ltd (PMI)

[REDACTED]

**Review Grounds**—substantiating reasonableness of a PMI variable factors review

**Neither PMI nor PMH made it to the list of *selected exporters***

Verification of the (only) *selected exporters* formed the basis of the 15 April 2010 *Report to the Minister No 148* (REP 148) quantum of anti-dumping and countervailing duty and the subsequent imposing on 28 October 2010 of anti-dumping and countervailing duties on shipments from *residual exporters* and *selected non-cooperating exporters*

This meant that the quantum of anti-dumping and countervailing duty imposed on PMI [REDACTED] [REDACTED] shipments became based on normal value, export prices and countervailing margins of other exporters

In fairness, this review opens the opportunity for verification by the ADC and calculating normal value and countervailing margin (zero) of PMI shipments based on its own particular different circumstances

**Attachment B** from REP 148 shows PMI as a *residual exporter*

**PMA shipments have never formed the subject of a review**

[REDACTED]

For fairness, the ADC should [REDACTED] review PMI's variable factors

**Confidential attachment C** shows page of [REDACTED] assessment Customs officer's verification visit. Press Metal International (Hubei) & PMIH in that attachment means PMH

**Review based on more contemporary calendar year 2014**

PMI's and PMA's financial years line up with calendar years and we would base this review on the 2014 calendar year which makes it more contemporary than the current PanAsia initiated review April 2013 to March 2014. Hence, only reasonable for the ADC to use the latest full year financial information of an exporter

**Confidential attachment D** shows PMI year ended 31 December 2014 profit and loss account and balance sheet

[REDACTED]

[REDACTED]  
The above table illustrates the [REDACTED] of PMA shipments of extrusions from China.

[REDACTED]. Reinforced because PMA would source [REDACTED]

[REDACTED]  
**Confidential attachment E** shows the [REDACTED] PMI (and China originated) extrusions shipment to PMA

**PMI never reviewed nor subject of separately verified assessment on normal values**

Neither Customs officers nor ADC officers have ever attended PMI to separately determine PMI own normal values and countervailing (zero)

[REDACTED]  
**Normal value based on domestic sales**—as exporter domestic sales form the starting point to determine normal value, PMI domestic sales values of like product in 2014 ([REDACTED]) have little relationship to [REDACTED]

**Normal value based on cost to make and sell**—the following billet and ingot sourcing paragraph explains the differences in PMI raw material sourcing between:

- 2010 imposition of anti-dumping and countervailing measures (based on year ended 30 June 2009 *selected exporters* costs) and

[REDACTED]  
Other PMI inputs to manufacture have changed substantially from PMH 2008/9/10 inputs and from 2008/9 inputs of other exporters which form the basis of PMI's current *residual exporter* status anti-dumping and countervailing measures

Hence, reasonable for the ADC to review PMI's cost to make and sell

**PMH & PMI** [REDACTED] source billet & ingot from [REDACTED]

[REDACTED]. Since then, PMI sources its billet and ingot from [REDACTED] primary aluminium smelters or traders [REDACTED] that has resulted in a substantially different primary aluminium PMI buying structure

Most of PMI's primary aluminium input for its extrusion mill consists of [REDACTED]  
[REDACTED]

As an example, for the 2014 calendar year, PMI bought [REDACTED] tonnes of [REDACTED]  
[REDACTED]—**Confidential attachment F. F3—January 2014** [REDACTED] **purchases example**

Accordingly, only reasonable for ADC to review PMI's cost to make and sell as one factor in the normal value calculation

**PMI [REDACTED] accounting system**

[REDACTED]

[REDACTED] PMI [REDACTED] based its core accounting records on the [REDACTED] system to which it continually ports more internal information systems as time passes. This has resulted in significantly more comprehensive and accurate accounting data available for illustrating and determining normal values and export prices than at [REDACTED]. The PMI [REDACTED] accounting system enables isolating the exact cost of individual domestic and export sales including down to the particular press from which the profile extruded

Hence, PMI can provide more reasonable and accurate production costing and costs to sell

**Confidential attachment G** illustrates a PMI [REDACTED] costing sheet for an individual extrusion showing the level of costing detail

**Confidential attachment H**, an excel spreadsheet, gives a typical, May 2014, [REDACTED] PMI monthly domestic sales detail

**Ascertained normal values—other factors determining normal value**

When setting normal values at the initiation of the current anti-dumping and countervailing measures, whether based on *cost to make and sell* or whether based on domestic selling prices (those domestic sales inevitably checked in turn against their own *cost to make and sell*) Customs substituted LME prices for the aluminium metal component in the price for which the particular mill bought its primary aluminium

Chinese primary aluminium metal prices have changed significantly since those in 2008/9— which formed the basis of the current anti-dumping and countervailing duty. **Confidential attachment A** illustrates this. From significantly lower than LME in mid-2008, Chinese primary aluminium prices have stayed consistently and significantly higher since

Particularly, **confidential attachment A** flags the difference between the prices bases on which PMI negotiates to buy its primary aluminium and the LME price

Hence, taking into account also that primary aluminium makes up more than 80% of the cost of extrusions, reasonable for the ADC to review PMI's *cost to make and sell*

### Ascertained export prices

During the original 2008/2009 investigation period [REDACTED] PMA sourced its extrusions from, [REDACTED], export prices had the effect on them of several unfavourable factors making them [REDACTED] among them:

- substantially higher shipping [REDACTED] to Australia
- involvement of two intermediaries in the sales/export process:

○ [REDACTED]

○ [REDACTED]

**Confidential attachment I** documents a typical prior [REDACTED] shipment to PMA originating at [REDACTED] port and involving these intermediaries

[REDACTED], neither of these two (or any other) intermediaries will play any part in the sales/export process—hence removing the need to add in any amount to determine the export price to PMA

**Confidential attachment E** shows also typical PMI shipment to PMA [REDACTED]

- Since the year ended 30 June 2009, compared to the year ended 31 March 2014, the Australian dollar has appreciated by more than 12% over RMB. So, for also PMI, that means ascertained export prices have risen by at least that amount during that time

Source—page 8 & 9 of 1 May 2014 review application by PanAsia Aluminium (China) Co Ltd

Hence, reasonable for ADC to review PMI's variable factors

### Countervailable subsidy

REP 148 found the primary subsidy program as Program 15, that is, supply by Chinese State Owned Enterprises (SOEs) of such significant volume of primary aluminium in China meant that they have likely influenced overall Chinese domestic primary aluminium prices. Hence, the report found that Customs could not rely on the price of primary aluminium supplies from non-SOE smelters and traders to determine whether or not Program 15 conferred a benefit.

To determine any benefit, Customs substituted LME prices as a benchmark to determine the adequacy of the price of primary aluminium into the Chinese market. For the 2008/2009 investigation period, Customs then found substantial benefit

As a *residual exporter*, PMI [REDACTED] then found itself subject to countervailing duty even though [REDACTED] PMI bought nearly all their [REDACTED] from [REDACTED]

However, since then, as illustrated in **confidential attachment A**, Chinese aluminium prices have stayed consistently and significantly higher than LME. Hence, you can reasonably conclude that PMI has received no benefit from Program 15 and reasonable also for the ADC to review imposing countervailing duty on PMI exports

**Attachment A 1 Public version**  
**Shanghai Futures Exchange monthly average**  
**price**

	RMB/tonne	\$US/RMB exchange rate	\$US/tonne	PMI Chinese metal exchange buying basis*	** LME \$US/tonne	Percentage difference
2008 July	16,556	6.5752	2,518		3,067	
August	15,731	6.0548	2,598		2,763	
September	14,078	5.6196	2,505		2,524	
October	12,044	4.7199	2,552		2,122	
November	11,603	4.4745	2,593		1,857	
December	9,435	4.5731	2,063		1,504	
2009 January	10,126	4.6404	2,182		1,420	
February	10,114	4.4372	2,279		1,338	
March	10,376	4.5319	2,290		1,338	
April	10,942	4.872	2,246		1,432	
May	10,927	5.1918	2,105		1,464	
June	11,389	5.4761	2,080		1,586	
Simple average				2,334		1,868 25%
2013 January					2,038	
February					2,053	
March					1,913	
April			2,375		1,857	
May			2,398		1,831	
June			2,325		1,816	
July			2,312		1,768	
August			2,317		1,815	
September			2,312		1,760	
October			2,343		1,812	
November			2,276		1,749	
December			2,283		1,739	
Simple average				2,327		1,846
2014 January			2,212		1,726	
February			2,172		1,693	
March			2,082		1,703	
April					1,810	
May					1,750	
June					1,834	
July					1,945	
August					2,030	
September					1,992	
October					1,938	
November					2,053	
December					1,913	
Simple average						1,866

**Source** February 2010 Capral Submission on Customs Review of Preliminary Dumping and Subsidy Margins for Exporters Selected for Further Investigation supplementary paper – Metal Premiums

[www.oanda.com/currency/historical-rates/](http://www.oanda.com/currency/historical-rates/)

www.quandl.com/S HFE/ALJ 2014; www.oanda.com/currency/historical-rates/

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# Appendix 6

## RESIDUAL EXPORTERS

1. ALNAN ALUMINIUM CO. LTD.
2. BEIJING GENERAL RESEARCH INSTITUTE FOR NON FERROUS METALS
3. COSCO (J.M.) ALUMINIUM DEVELOPMENT CO., LTD
4. FOSHAN JMA ALUMINIUM CO., LTD
5. FOSHAN GUANG CHENG ALUMINIUM CO. LTD.
6. FOSHAN NANHAI YONGFENG ALUMINIUM CO., LTD
7. FOSHAN SANSHUI FENGLU ALUMINIUM COMPANY LIMITED
8. FUJIAN LONGYAN LIANFA ALUMINIUM CO. LTD
9. FUJIAN MINFA ALUMINIUM CO LTD
10. FUJIAN YONGCHUN SHAUNGHENG ALUMINIUM CO., LTD
11. FUZHOU TCI CORPORATION
12. GOLDEN POWER CO., LTD.
13. GUANGDONG HUACHANG ALUMINIUM FACTORY CO LTD
14. GUANGDONG JIANMEI ALUMINIUM PROFILE FACTORY CO., LTD
15. GUANGDONG WEIYE ALUMINIUM FACTORY CO., LTD.
16. GUANGDONG XINGFA ALUMINIUM COMPANY LIMITED
17. GUANG YA ALUMINIUM INDUSTRIES CO., LTD
18. HYDRO ALUMINIUM (SUZHOU) CO LTD
19. JIANGYIN EAST-CHINA ALUMINIUM TECHNOLOGY CO., LTD
20. KINGLE ALUMINIUM TECHNOLOGY STOCK CO LTD
21. NEW HOCHA ALUMINIUM INDUSTRY CO LTD
22. PENGLAI SANLING LOCKS CO LTD
23. PMH ALUMINIUM EXTRUSION CO LTD
24. PRESS METAL INTERNATIONAL LTD
25. SHANGHAI UNISON ALUMINUM PRODUCTS CO., LTD
26. SILVER 100 ALUMINIUM INNOVATION (GUANGDONG) LIMITED
27. TAISHAN GOLDEN GAIN ALUMINIUM PRODUCTS LIMITED
28. YANGJIANG KITSSEN CONSTRUCTION HARDWARE CO LTD
29. SHANDONG NASHAN ALUMINIUM CO LTD