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The Director
Operations 5
Anti-Dumping Commission
Level 4, SAP House
224 Bunda Street
CANBERRA ACT 2600

Email: operations5@adcommission.gov.au

Public File

Dear Sir/Madam

Investigation No. 387 – Accelerated Review – Foshan Shunde Beijiao Jiawei Aluminium Factory of P R China

I refer to the application for an accelerated review involving exports by Foshan Shunde Beijiao Jiawei Aluminium Factory (“Jiawei”) of the People’s Republic of China (“China”).

Capral Limited (“Capral”) is an Australian manufacturer of aluminium extrusions the subject of the anti-dumping and countervailing measures applicable to exporters of the goods from China. Jiawei states that it was not an exporter during the original investigation period and is seeking a determination of variable factors for its own exports so that it is not subject to the country-wide rate for dumping and countervailing duties.

Jiawei has requested that ascertained variable factors be based upon its own domestic sales, costs and other relevant financial information.

Normal values for Chinese aluminium extrusions exporters are based upon a constructed cost methodology. On the basis that the exporter’s production and selling costs have been validated, a benchmark aluminium price is substituted into the exporter’s cost of production. Jiawei asserts that the primary aluminium benchmark that is referenced by the LME monthly cash price has declined by 12.6 per cent following the most recent review period, through until the review period of the current accelerated review.

Capral would highlight with the Anti-Dumping Commission (“the Commission”) that in the first four months of 2017 the LME monthly cash price and MJP has risen considerably (by 12.15 per cent in USD since Dec 16) and it is important that any review of the variable factors applicable to Jiawei reflects the higher LME and MJP cash price for aluminium.

Additionally, Capral reminds the Commission that purchased aluminium must reflect the sum of:

- Aluminium at prevailing London Metal Exchange (“LME”) cash rate; plus
- Billet premiums; plus
- Major Japanese Port (“MJP”) premium that is applicable to all aluminium purchases in South East Asia, including Chinese manufacturers.

The aluminium purchase price for Jiawei should, as a minimum reflect the sum of these costs.

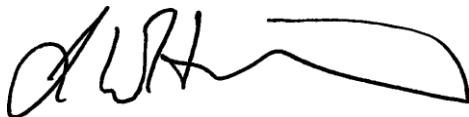
In addition, Capral would draw to the attention of the Commission the experiences from Investigations 248 and 362 that confirm the higher costs incurred by manufacturers for export packaging that includes: steel trolleys, wooden crates and inter leave paper.

The Commission is requested to ensure that Jiawei's normal value is adjusted accordingly for the additional packing costs for exported goods.

It is further noted that Jiawei has requested that the form of duty to be applied to Jiawei be based upon the *ad valorem* method¹. This is inconsistent with earlier findings where measures were applied to Chinese exporters of aluminium extrusions based upon the combination method. Capral requests that the Commission recommend to the Parliamentary Secretary that the form of measures applicable to Jiawei's exports to Australia be based upon the combination method, consistent with the form of measures applicable to all Chinese exporters.

If you have any questions concerning this submission, please do not hesitate to contact me on (02) 8222 0113 or Capral's representative Mr John O'Connor on (07) 3342 1921.

Yours sincerely



Luke Hawkins
General Manager – Supply and Industrial Solutions

¹ It is noted in SEF 362 that measures applied to exporters in Malaysia and Vietnam have been recommended on a combination methodology.