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The Director Operations One
Anti-Dumping Commission
55 Collins Street
Melbourne VIC 3000
AUSTRALIA

NON-CONFIDENTIAL

BY EMAIL

Attention: G Katsoulis

Dear George

Further to the verification visit at Viridian (26, 27 and 29 April) there are a number of matters that have been considered.

[REDACTED] (commercially sensitive research) was asked to follow up on indices and prices of raw materials. He advised that there were no indices for clear float glass and the raw material prices supplied have not been able to be verified.

As noted during the visit, we have undertaken further research on the United States International Trade Administration website on benchmark/surrogate values. No further information has been able to be found other than referenced in the text and footnotes of the Market Situation document forwarded to you on 6 April.

Has the Commission been able to use the CSG information obtained in Case 159 for YEM2010?

We have come across further articles (other than those supplied with the Market Situation report) on natural gas. These do not appear to contain any other information than already supplied in the Market Situation submission.

As of yesterday we found the attached Producer Price Index which, across China as a whole, may not be helpful. We direct you to the website (www.tradingeconomic.com) but our research has again not been successful in this respect.

Further to the verification visit we have given some consideration to the possible form of remedy. We note that the situation in Report 300 is similar to the issues faced by Viridian:

In particular, the Guidelines note that a potential disadvantage of ad valorem duties is that export prices might be lowered to avoid the effects of duty.

The Commission therefore considers that there is a significant risk that the exporters may further reduce their prices to avoid the effects of duty which would result in diminishing the effectiveness of the measures if an ad valorem only form of duty is applied. The Guidelines explain that in cases where exporters have room to further decrease their export prices, and the market is sensitive to price instability, a duty method is needed that would prevent further price decreases. In this circumstance, a fixed amount of duty, or an ad valorem duty, would not prevent the flaw and the floor price method would be preferred. (Report 300 pg 87)

Viridian's initial view, subject to any further discussion with the Commission, is that interim dumping duties be calculated using the combination of fixed and variable duty method (combination method).

Yours sincerely



J.J. Croft

Encl:

China Producer Prices 1995-2016 | Data | Chart | Calendar | Forecast

Producer Prices in China increased to 96.60 Index Points in April from 95.70 Index Points in March of 2016. Producer Prices in China averaged 100.99 Index Points from 1995 until 2016, reaching an all time high of 113.47 Index Points in July of 1995 and a record low of 91.80 Index Points in July of 2009. Producer Prices in China is reported by the National Bureau of Statistics of China.

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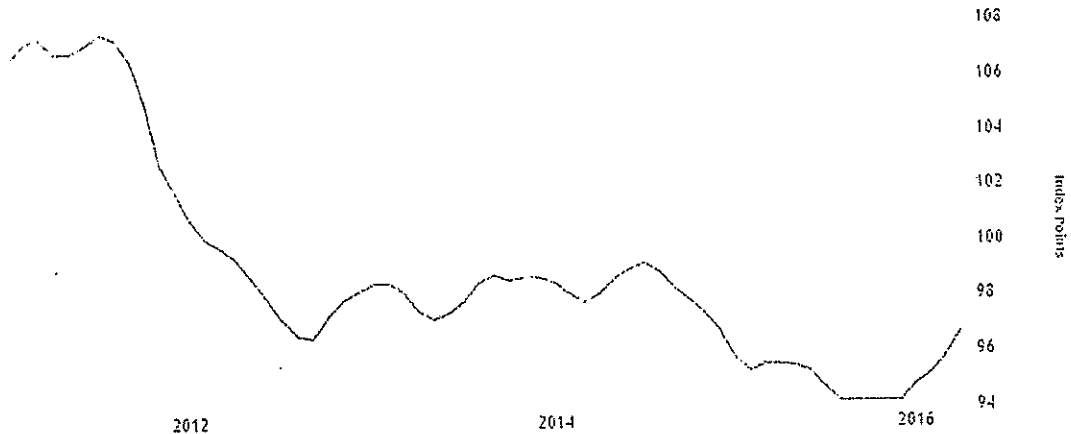
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Export Data (<http://www.tradingeconomics.com/analytics/plans.aspx?source=chart>)

API Access (<http://www.tradingeconomics.com/analytics/api.aspx?source=chart>)

CHINA PRODUCER PRICES



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Actual	Previous	Highest	Lowest	Dates	Unit	Frequency
96.60	95.70	113.47	91.80	1995 - 2016	Index Points	Monthly CPPY=100; NSA

In China, the Producer Price Index measures the average change in price of goods and services sold by manufacturers and producers in the wholesale market during a given period. This page provides - China Producer Prices - actual values, historical data, forecast, chart, statistics, economic calendar and news. China Producer Prices - actual data, historical chart and calendar of releases - was last updated on May of 2016.

China Prices	Last	Previous	Highest	Lowest	Unit
Inflation Rate (/china/inflation-cpi)	2.30	2.30	28.40	-2.20	percent