

21 September 2017

Mr Reuben McGovern
Case Manager
Operations 3
Anti-Dumping Commission
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Melbourne Victoria 3000

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Public File

Dear Mr McGovern

Investigation No. 392 – Review of measures applicable to aluminium extrusions exported from P R China – Submission by Guang Ya Aluminium Industries Co., Ltd

I refer to the submission on behalf of Guang Ya Aluminium Industries Co., Ltd (“Guang”) dated 27 August 2017 in respect of Statement of Essential Facts No. 392 (“SEF 392”).

Guang Ya has nominated three issues that it is challenging the Anti-Dumping Commission (“the Commission”). These include affiliation with Trango (Australian importer), adjustment for intermediary, and cost adjustments on aluminium.

(i) Affiliation with Australian importer

Guang Ya has argued that is ‘not justified and fair’ for the Anti-Dumping Commission (“the Commission”) to conclude export prices for Guang Ya under subsection 269TAB(3) of the *Customs Act*.

Guang Ya fails to acknowledge in its representations that the Australian importer of the exported goods failed to cooperate with the Commission when requested to complete an importer questionnaire. As such, the Commission was unable to verify import transactions relating to Guang Ya’s exports during the investigation period. The Commission had no alternative but to base export prices under subsection 269TAB(3) using all relevant information.

(ii) Adjustment for Kong Aha

Guang Ya does not consider it “fair” that an upward adjustment be made to Guang Ya’s normal value to take account of its related-party, Hong Kong-based trading affiliate Kong Ah International Company Limited (“Kong Ah”).

Guang Ya acknowledges that Kong Ha has a role in the sale of the goods exported to Australia (role applies to export sales only). The Commission, therefore, has correctly made an upward adjustment associated with the cost of Kong Ah’s role in receiving currency for the goods exported to Australia.

(iii) Aluminium adjustment

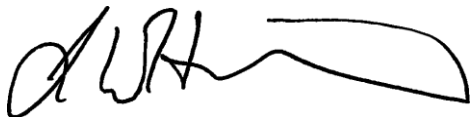
Guang Ya has claimed that there is no need for an adjustment to account for aluminium ingot at less than adequate remuneration. However, the Commission has not included Program 15 within the countervailing (i.e. subsidies) margin calculation as it has determined a particular market situation for aluminium continues to apply in China. It is therefore necessary to substitute the benchmark primary aluminium price into Guang Ya's production costs, to determine a constructed selling price for aluminium extrusions sold by Guang Ya domestically.

The adjustment of the Commission is detailed at Section 4.7.3 of SEF 392 (P.25).

Capral therefore endorses the Commission's explanations in SEF 392 for the determination of Guang Ya's export price and adjustments to normal value.

If you have any questions concerning this letter, 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