

## Comments on submission by Capral Co.,ltd

27 September 2017

**By email:**

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Mr Reuben

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Anti-Dumping Commission

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**Investigation No. 392 – Review of measures applicable to aluminium extrusions exported from P R China – Submission by Capral Co., Ltd**

**Contact**

W&H LAW FIRM

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Dear Kathryn/Reuben,

This submission is made on behalf of ***Guang Ya Aluminium Industries Co., Ltd.*** ("***Guang Ya***") and in response to submission provided by Capral Co., Ltd on Sep 25, 2017.

***Guang Ya*** re-emphasizes that it is unfair for the commission to make determination of Case 392 and it is not objective for Capral to make claims in the submission dated on 25 Sep, 2017.

### ***1. Affiliation***

*Guang Ya has no affiliation with Australia import (Trango), however, Officers indiscreetly concluded that Guang Ya has affiliation with Trango only on the base of historic facts. The more unreasonable thing is that the officers have never discussed with Guang Ya on the affiliation issues before the statement of essential facts was issued, so it is obvious that the procedural right of Guang Ya was damaged by the commission, because Guang Ya at least could try to convince its importer to cooperate with the commission if the commission did inform Guang Ya of this affiliation issues. Of course, Guang Ya is not sure whether its importer could be persuaded to do this since the importer is totally independent and it has no such obligation to participate this investigation. There is no doubt that Guang Ya's right was not respected and protected in this review.*

### ***2. Adjustment for Kong Aha***

*It is the common sense that it is easier and less burden for Kong Aha to collect payment for its parent company than to do business on its own. So, it is very clear and*

*obvious that it is wrong for the commission to treat the act of Kong Aha to collect payment as same the act of its business. The difference between collecting payment and its normal business is clear; however the commission disregarded this difference, and make adjustment by the principal that these two affairs are same. Actually, the expense of collecting payment almost cost nothing, it can be neglected. The more important is that it is easy, practical for the commission to find reasonable alternative such as the handling fee of bank which is about 0.1 percent. So, the act of the commission distorted the actual situation and significantly harmed the interest of Guang Ya.*

### **3. Aluminium ingot or billet Cost adjustment (raw material )**

Guang Ya asserts its opinion again that there is no need to make raw material cost adjustment on the condition that the subsidy rate is just about 0.1 percent because 0.1percent subsidy rate means the government of China has no significant influence on the aluminion industry.

However, the commission has made "more than 7 percent" up adjustment for this factor, and the commission has not disclosed how " more than 7 percent " did come up with? This " more than 7 percent " is not transparent and kept in the dark box, however this is not consistent with the actual situation, because the aluminium ingot price in china is higher than that of LME. The detailed price of aluminum ingot in LME and China is stated as the following:

Month	LME USD	Exchange rate	LME RMB	SME RMB
Jan	100	6.5032	650.32	751.1375
Feb	103.7956	6.5539	680.2658	723.0797
Mar	103.4569	6.5385	676.4526	761.2789
Apr	105.738	6.4585	682.9088	794.4074
May	105.1971	6.4565	679.2052	852.8893
Jun	107.6223	6.5889	709.1123	847.1425
Jul	103.3967	6.631	685.6234	855.9317
Aug	110.9554	6.6277	735.379	841.0577
Sep	105.6237	6.678	705.3553	838.6914
Oct	105.3418	6.7	705.79	896.8352
Nov	104.9111	6.7641	709.6294	984.051
Dec	104.7942	6.8958	722.6396	937.7387

It also can help us understand that the "10 percent " up adjustment is unfair if we compare the final determination of subsidy made by USA in 2014 against Guang Ya with that made by the commission in this review. In 2014, USA made determination

of subsidy around 2 percent against Guang Ya, that means all effects imposed by Government of China is just about 2 percent, and we know that USA has taken the strictest standard in the investigation. In the contrast, the commission made " more than 7 percent " adjustment about the raw material cost.

### **3. Conclusion:**

In conclusion, Guang Ya states that it is not fair for Officer to conclude that Guang Ya has affiliation with Trango just on historic fact, not reasonable for Officer to make more than 2.25 percent adjustment for Kong Ah's cost, not fair to make aluminium cost adjustment of more than 7 percent when the subsidy of Guang Ya is just about 0.1 percent. Guang Ya requests the Commission to reconsider and reassess these issues in an objective and fair manner in order to respect the lawful interest and right of Guang Ya.

Your sincerely

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