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11 May 2015

Director Operations 3  
Anti-Dumping Commission  
Level 35, 55 Collins Street  
Melbourne VIC 3000

### **Dumping investigation – Rod in coils exported from Indonesia**

Dear Director,

Please accept this submission made by PT Gunung Raja Paksi (GRP) to the current dumping investigation into rod in coil exported from Indonesia.

#### **Currency conversion**

In its previous submissions of 23 December 2014 and 12 March 2015, GRP contends that the Commission's decision to convert the currency of the domestic sales into the export denominated currency is both inconsistent with the relevant provisions of the *Customs Act 1901* (the Act), and flawed in its reasoning. It is argued by GRP that subsection 269TAF(1) of the Act requires a conversion of currencies related to export sales and prices using the 'the appropriate rate of exchange on the date that best establishes the material terms of sale of the exported goods.' [Emphasis added].

It is noted that in the Commission's latest revised dumping margin calculations for GRP's exports of rod in coil, the Commission continues to convert domestic selling prices denominated in Indonesian Rupiah into the currency of the export sales.

GRP wishes to provide further support for its view that the currency conversions required to compare export prices and normal values, should be undertaken in respect of export sales and prices. In EC – Tube and Pipe Fittings<sup>1</sup>, the Panel found:

*7.198 The reference in Article 2.4.1 that the currency conversion rules therein apply only "when the comparison under paragraph 4 requires a conversion of currencies" is to the comparison between the normal value and the export price is conducted under*

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<sup>1</sup> European Communities – Anti-dumping Duties on Malleable Cast Iron Tube or Pipe Fittings from Brazil, WT/DS219/R, para 7.198, page 60.

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*paragraph 4. The references to "sale", "export sale" and "export prices" are a clear textual indication that the provision refers to currency conversion in connection with the prices of export sales... [Emphasis in original]*

Therefore, GRP requests the Commission to reconsider its position in respect of this issue and amend GRP's dumping margin calculations accordingly.

Yours sincerely

John Bracic