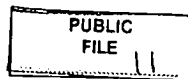


Our reference
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24 April 2012

By email:
Ms Joanne Reid
Director, Operations 2
Australian Customs & Border Protection
Service
Customs House
5 Constitution Avenue
Canberra ACT 2601

Special Counsel
Andrew Percival (02) 9210 6228
Email: andrew.percival@corr.com.au

Dear Ms Reid,

Non-Confidential

Anti-dumping and subsidy investigation - aluminium road wheels exported from the People's Republic of China

As you are aware, we act for CITIC Dicastal and its related bodies corporate in relation to this investigation and we submit that the investigation into its exports of aluminium road wheels from the People's Republic of China must be terminated.

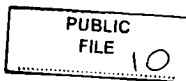
The reasons why the investigation in relation to our clients' exports of aluminium road wheels from the People's Republic of China must be terminated are:-

1. Australian Customs and Border Protection Service (**Customs**) has found, based on verified information, that our clients' exports of aluminium road wheels, when assessed, using the only appropriate methodology for aluminium road wheels manufactured for and supplied to the OEM market, that is, on a per kilogram basis, have not been exported at dumped prices and, consequently, that part of the investigation concerning whether our clients' exports have been at dumped prices must be terminated under section 269TDA(1) of the *Customs Act 1901*;
2. if dumping margins are assessed on a "per piece" basis, which we have contended and continue to contend is an inappropriate methodology, for aluminium road wheels manufactured for and supplied to the OEM market, and does not and cannot result in an accurate like-for-like comparison, a purported dumping margin of 4% cannot have caused material injury to the Australian industry. Any material injury incurred by the Australian industry has been caused by other known other economic factors, which are well documented. Consequently, that part of the investigation concerning whether our clients' exports have been at dumped prices must be terminated under section 269TDA(13) of the *Customs Act 1901*;
3. that part of the investigation concerning whether our clients' exports of aluminium road wheels have been at subsidised prices must be terminated under section 269TDA(2) of the *Customs Act 1901* because the subsidies it receives are not

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Australian Customs & Border Protection Service

Anti-dumping and subsidy investigation - aluminium road wheels exported from the People's Republic of China



specific within the meaning of section 269TAAC of the *Customs Act 1901*. Further, even if they were, when the amount of such subsidies are apportioned across the entire production of our client, as they must be other than the subsidy in relation to truck wheels, the resulting amount of subsidisation of export prices is minimal and cannot confer on the aluminium road wheels exported to Australia by our clients' a price advantage that could cause material injury to the Australian industry and, consequently, this part of the investigation also must be terminated under section 269TDA(14) of the *Customs Act 1901*; and

4. our clients supply aluminium road wheels only to the OEM market and only to Ford Australia and to GM Holden, whom the domestic supplier has not supplied aluminium wheels to for over a decade (i.e. 2001 in the case of GM Holden and 2002 in the case of Ford Australia according to the Australian Industry Visit Report) and outside the injury investigation period. The reason why Ford Australia and GM Holden ceased sourcing aluminium road wheels from the Australian industry was for reasons other than low priced wheels from China, as acknowledged in the Australian Industry Visit Report. There is no evidence that CITIC Dicastal's exports of aluminium road wheels have caused or could cause material injury to the Australian industry, whether due to dumping and/or subsidisation or otherwise. For this reason alone that part of the investigation relating to CITIC Dicastal's exports must be terminated under sections 269TDA(13) and (14) of the *Customs Act 1901*.

We look forward to your confirmation that that part of the investigation concerning our clients' exports of aluminium road wheels has been terminated, which termination should take place prior to publication of the Statement of Essential Facts.

Yours faithfully
Corrs Chambers Westgarth



Andrew Percival
Special Counsel