ATTACHMENT A

DETAILED STATEMENT SETTING OUT REASONS FOR SEEKING CONTINUATION OF THE ANTI-DUMPING MEASURES

PVC FLAT ELECTRIC CABLES EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA

Introduction

Prysmian Australia Pty Limited (**Prysmian**), on behalf of the Australian industry producing like goods, seeks the continuation of the anti-dumping measures applicable to PVC flat electric cables (**the goods**) exported to Australia from the People's Republic of China (**China**) by Guilin International Wire & Cable Co (**Guilin**).

These measures were imposed following Investigation No. 469 (**INV 469**), to which Anti-Dumping Commission Report No. 469 (**REP 469**) refers. The measures as they applied to the goods exported by Guilin were subsequently set aside by the Federal Court of Australia and remitted for reconsideration, on conclusion of which the measures were re-imposed (**the Reconsideration**).[1]

The Australian industry submits that, if the measures applicable to the goods exported from China by Guilin expire, material injury to the Australian industry producing like goods would be likely to continue or recur.

Prysmian requests that the Anti-Dumping Commission (**the Commission**) commence an inquiry into the continuation of the measures on the goods. The proposed inquiry period for this is 1 July 2025 to 30 June 2026 (**FY2026**).

1. Will dumping or subsidisation continue or recur?

The Australian industry submits that sufficient evidence exists for the Commission to conclude that the expiry of the measures would be likely to lead to a continuation or recurrence of dumping of the goods exported from China by Guilin. The Australian industry submits that the expiry of the measures would be likely to lead to dumping into Australia at margins at least equal to those found in REP 469 and the Reconsideration, if not higher.

In assessing the likelihood of dumping continuing or recurring, the Commission's Dumping and Subsidy Manual outlines several relevant factors and considerations. Such factors may include exporters' dumping margins, the volume of exports before and after the measures were imposed, the effect of the measures, the level of dumping compared with the level of measures, and any change in those measures (e.g., as a result of a review). The Australian industry addresses certain of these factors below.[2]

1.1 Are exports likely to continue or recur?

The Australian industry has considered whether exports would likely continue or recur in a reasonably foreseeable timeframe with regard to:

- import volumes of the goods from China since the imposition of measures;
- maintenance of distribution channels / links to Australia (in particular, the established Guilin / Electra Cables Aust Pty Ltd (**Electra**) channel);
- Chinese production capacity and capacity utilisation for the goods and their key inputs;
- the size and demand conditions within the Australian market for the goods; and
- trade remedies in other jurisdictions.

[1] REP 469 was delivered on 8 April 2019 and the Minister's decision was made on 8 May 2019. Following orders of the Federal Court of Australia made on 13 February 2020, the decision in relation to Guilin was set aside and remitted for reconsideration.
[2] Dumping and Subsidy Manual, December 2021, p. 137.

The following sections outline an assessment of these factors.

1.1.1 Import volumes and patterns of trade

The Australian industry has assessed Australian import volumes of the goods from all sources. Chart 1.1.1 below shows the volume of imports of the goods into Australia, by source, for the four financial years FY2023 to FY2026 (each ending 30 June).[3]

*[**Confidential chart deleted: Confidential Chart 1.1.1:** Australian import volumes of the goods, by source (Source: Confidential Appendix A2)]*

Chart 1.1.1 indicates that:

- imports of the goods from China have continued in substantial volumes throughout the period, reaching approximately [*XXX*] million metres in FY2026 – approximately [*XX*] percent above the FY2023 level of approximately [*XXX*] million metres;
- imports of the goods from China account for the substantial majority of all imports of the goods (approximately [*XX*] to [*XX*] percent by volume across the period), with imports from all other sources remaining comparatively minor; and
- the volume of Chinese imports in FY2026 (July 2025 to June 2026) was approximately [*XX*] percent higher than in the investigation period for the continuation of the separate measures applicable to other Chinese exporters (**CON 626**).

Table 1.1.1 below compares the volume and value of Chinese imports of the goods in FY2026 against recent reference periods.

Period	Import volume	Import value (FOB)	Unit value
CON 626 investigation period (Apr 2022 – Mar 2023)	[*XXX*]	[*XXX*]	[*XXX*]
Minxing review investigation period (Apr 2024 – Mar 2025)	[*XXX*]	[*XXX*]	[*XXX*]
Current period (Jul 2025 – Jun 2026)	[*XXX*]	[*XXX*]	[*XXX*]

Confidential Table 1.1.1: Chinese imports of the goods – volume, value and unit value (Source: Confidential Appendix A2)

The value of Chinese imports of the goods (FOB) rose from approximately A$[*XXX*] million in the CON 626 investigation period to approximately A$[*XXX*] million in FY2026 (an increase of approximately [*XX*] percent) while the average unit import value rose from approximately A$[*XX*] per metre to approximately A$[*XX*] per metre, consistent with the increase in copper prices over the same period (see section 1.2).

Although import data is recorded at the country level and does not distinguish between individual Chinese exporters, the Australian industry understands that the majority of the Chinese import volume is supplied by Guilin (through its related importer, Electra). That understanding is based on the Australian industry's direct experience of competing in the Australian market for the goods, in which it competes primarily against Guilin / Electra, and in which Guilin / Electra are the price leaders for the goods. The Australian industry's evidence of how it competes against Guilin / Electra is set out in the material injury section below.

Given this, the Australian industry considers that Australia remains an attractive and accessible destination for Chinese exporters of the goods. The continuation of substantial and growing import volumes from China throughout the life of the measures indicates that Chinese exporters, including Guilin, have maintained their presence in, and routes to, the Australian market. Guilin would therefore likely maintain or increase its export volume if the measures were to expire.

[3] Confidential Appendix A2.

1.1.2 Maintenance of distribution links to Australia

The Australian industry submits that, if the measures expire, Guilin would be likely to maintain and expand its established channel for supplying the goods to the Australian market.

Guilin exports the goods to Australia through Electra, its related importer, which on-sells the goods to electrical wholesalers and buying groups under the "Electra Cables" brand. This related-party distribution channel has been maintained throughout the life of the measures, as evidenced by the continued and growing volumes of Chinese imports of the goods over that period (see section 1.1.1 above). The existence of this ongoing, well-established and vertically integrated distribution channel indicates that Guilin retains a ready route to market in Australia, and that Guilin and Electra would be well placed to increase sales volumes of the goods through that channel if the measures were to expire.

1.1.3 Excess production capacity in China

Excess production capacity relative to domestic demand creates an environment in which goods are more likely to be directed to, and sold at lower prices in, export markets than on the producer's domestic market. Because the normal value of the goods exported by Guilin was constructed in the absence of relevant sales of like goods in the Chinese domestic market, the relevant question for present purposes is not the strength of domestic demand in China, but whether Chinese producers hold excess production capacity in the goods, and in their key inputs, that is available for and directed towards export markets. The Australian industry submits that they do, and that this capacity gives Guilin both the ability and the incentive to increase dumped export volumes to Australia in the absence of measures.[4]

Overcapacity in the Chinese wire and cable industry

China's wire and cable manufacturing industry is characterised by substantial and persistent excess capacity. Industry sources place the sector's overall capacity-utilisation rate at approximately 60 percent. This is well below a level of around 80 percent at which capacity is conventionally regarded as being in surplus, across a highly fragmented industry of more than 10,000 registered manufacturers, with small and medium-sized producers commonly operating at utilisation rates of 50 to 65 percent.[5]

Critically, the overcapacity is concentrated in the low-voltage and building-wire segment to which the goods belong. Market analysis describes China's low-voltage cable capacity as amongst the largest globally and in a persistent state of overcapacity, particularly for the standardised, low-margin products of the kind at issue here.[6]

Export orientation of the Chinese industry

That excess capacity is structurally oriented towards export markets. China is the world's largest exporter of insulated wire and cable. Chinese exports of insulated wire and cable rose by approximately 18 percent in volume, to 2.9 million tonnes (valued at approximately US$29 billion), in 2024 (a record) while imports fell for a third consecutive year.[7]

Full-year 2025 exports reached approximately 2.99 million tonnes, up 12.65 percent year-on-year, with exports of copper wire and cable specifically up 23.29 percent to 1.441 million tonnes. The leading export categories are the low-voltage conductors to which the goods belong, and China records the largest net-export surplus of any

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[4] Normal value for Guilin was ascertained under subsection 269TAC(2)(c) of the *Customs Act 1901* in the absence of relevant sales of like goods in the domestic market of China: see REP 469 and the Reconsideration.
[5] Industry and trade-press commentary; the utilisation figure is indicative rather than an official statistic.
[6] IndexBox, China's Wire and Cable Market Overview, 2024. Figures relate to broad insulated wire and cable, not PVC flat electrical cable specifically. Available at https://www.indexbox.io/blog/wire-and-cable-china-market-overview-2024-3/.
[7] IndexBox, China's Wire and Cable Market Overview, 2024 (drawing on customs data): Chinese insulated wire and cable (HS 8544) exports of approximately 2.9 million tonnes (US$29 billion) in 2024. Available at https://www.indexbox.io/blog/wire-and-cable-china-market-overview-2024-3/.

country in insulated wire and cable (approximately US$26.4 billion in 2024). Australia is a material destination for this trade, importing approximately US$1.15 billion of insulated wire and cable from China in 2024.[8] [9] [10]

Overcapacity in the key input – copper rod

The same surplus is apparent in the key input to the goods. China's electrolytic (copper cathode) rod capacity rose from approximately 11.5 million tonnes in 2019 to approximately 17.67 million tonnes in 2025, against production of only approximately 10.3 million tonnes; the industry analyst SMM describes the sector's overcapacity as having become "more pronounced", with further capacity additions in the pipeline. China dominates the global copper-fabrication chain, having added close to 11 million tonnes of copper and alloy fabrication capacity since 2019. This represents approximately 80 percent of global additions (around two-thirds of it wire rod) giving it approximately half of the world's fabrication capacity.[11] [12]

The export-focused dynamic is explicit at the metal level: China's refined copper exports more than doubled to a record in mid-2024 as weak domestic demand prompted smelters to turn to overseas markets.[13]

The Chinese Government's own response to overcapacity

The existence of structural overcapacity is corroborated by the Chinese Government's policy response. Effective 1 December 2024, China removed the 13 percent export tax rebate previously available on copper and aluminium semi-finished products – a measure reported as being directed at addressing overcapacity concerns. Notwithstanding removal of that support, Chinese cable exports continued to reach record volumes in 2025, indicating that the structural incentive to export surplus production remains intact.[14] [15]

Guilin's capacity and export orientation

Guilin is described as the largest wire and cable production and export enterprise in Guangxi, holding self-operated import and export rights and ranking as one of the province's largest exporters of mechanical and electrical products. It reports an annual output value in the order of 5 to 7 billion yuan and operates more than 1,200 items of production equipment across an 800,000 square metre site.[16] [17]

Guilin's own literature states that exports account for more than 70 percent of the company's total sales, directed to markets including Australia, New Zealand, South-East Asia, the European Union and the United States. Guilin exports to Australia under the "Electra Cables" brand through its related importer, Electra, and its product range specifically includes PVC-insulated building and house wire of the kind covered by the goods. The Australian

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[8] China customs data, reported by Shanghai Metals Market (SMM): full-year 2025 insulated wire and cable exports of approximately 2.9936 million tonnes (up 12.65 percent), including copper wire and cable exports up 23.29 percent to 1.441 million tonnes.
[9] Worlds Top Exports, Insulated Wire and Cable Exporters by Country (2024): China recorded the largest net-export surplus, approximately US$26.4 billion. Refer https://www.worldstopexports.com/insulated-wire-exports-country/
[10] UN COMTRADE data (via Trading Economics): Australian imports of insulated wire and cable (HS 8544) from China of approximately US$1.15 billion in 2024.
[11] Shanghai Metals Market (SMM): China's electrolytic (copper cathode) rod capacity of approximately 17.67 million tonnes in 2025 against production of approximately 10.3 million tonnes, with overcapacity described as becoming "more pronounced" and further additions in the pipeline. Copper rod is an upstream input to the goods.
[12] Wood Mackenzie: China has added close to 11 million tonnes of copper and alloy fabrication capacity since 2019 (approximately 80 percent of global additions, around two-thirds of it wire rod), giving it roughly half of global fabrication capacity.
[13] Bloomberg, "China's Refined Copper Exports Double to Record on Local Surplus", 22 July 2024. Available at https://www.bloomberg.com/news/articles/2024-07-22/china-s-refined-copper-exports-double-to-record-on-local-surplus.
[14] See, e.g., South China Morning Post, "China to address world's overcapacity concerns by cutting export-tax rebate"; China Briefing (November 2024). The 13 percent export rebate on copper and aluminium semi-finished products was removed with effect from 1 December 2024. Available at https://www.scmp.com/economy/global-economy/article/3287056/china-address-worlds-overcapacity-concerns-cutting-export-tax-rebate.
[15] China customs data (via SMM): Chinese insulated wire and cable exports reached record volumes in 2025 notwithstanding the removal of the rebate.
[16] Baidu Baike, "Guilin International Wire and Cable Group Co., Ltd."; Guangxi industry sources. Available at https://baike.baidu.com/en/item/Guilin%20International%20Wire%20and%20Cable%20Group%20Co.,%20Ltd./944125.
[17] Guilin International Wire & Cable Group, company website (en.guilincable.com), "About Us"; Made-in-China.com company profile. Available at https://en.guilincable.com/about-us/.

industry notes that Guilin's physical production capacity and capacity-utilisation rate are not in the public domain, and submits that these figures should be obtained from Guilin's confidential exporter questionnaire response on the Commission's record.[18] [19] These are directly relevant to the question of the likelihood of increased imports absent measures.

Overcapacity in China

Given the above evidence of substantial and growing excess production capacity in the Chinese wire and cable industry and in its key input, alongside the pronounced export orientation of that industry and of Guilin in particular, the Australian industry submits that Guilin has both the ability and the incentive to maintain and expand export supply to Australia at dumped prices in the absence of measures.

1.1.4 Trade measures in other jurisdictions

According to the World Trade Organization Integrated Trade Intelligence Portal,[20] 8 anti-dumping and countervailing measures are currently imposed by WTO member countries on insulated electric cables, as classified to the six-digit tariff subheading 8544.49.

In addition, a number of jurisdictions have recently imposed, continued or intensified trade-remedy measures against exports of cable and wire products from China. Three recent examples are of particular relevance to this application:

- Most directly, on 16 March 2026 the Canada Border Services Agency initiated anti-dumping and countervailing investigations into unarmoured building cables exported from China. Those goods are similar to the goods the subject of this application, being insulated copper (or aluminium) cable used to distribute electricity within residential, commercial and other structures. The investigations follow a complaint by a Canadian producer, and the Canada Border Services Agency has estimated a margin of dumping of 52.3 percent in respect of the subject goods from China. Notably, the Canadian complainant relevantly relied upon the Commission's findings in relation to PVC flat electric cables from China in support of its allegations of subsidisation.[21]

- The United States maintains anti-dumping and countervailing duty orders on aluminium wire and cable from China. Those orders, which cover goods classified under the same six-digit subheading as the goods (8544.49), were first imposed in December 2019 and, following a five-year (sunset) review, were continued with effect from 13 June 2025, the United States Department of Commerce having found that revocation would be likely to lead to a continuation or recurrence of dumping at margins of up to 63.47 percent and of countervailable subsidisation.[22]

- The European Union imposed anti-dumping measures on optical fibre cables from China in November 2021, supplemented by countervailing measures in January 2022. Following a duty-absorption investigation, which found that Chinese exporters had lowered their export prices so as to absorb the

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[18] Baidu Baike, "Guilin International Wire and Cable Group Co., Ltd.": exports stated to exceed 70 percent of total sales. Available at https://baike.baidu.com/en/item/Guilin%20International%20Wire%20and%20Cable%20Group%20Co.,%20Ltd./944125.

[19] Guilin exports to Australia under the "Electra Cables" brand through its related importer, Electra Cables (Aust) Pty Ltd; its product range includes PVC-insulated building and house wire.

[20] Non-Confidential Attachment 3 – WTO Integrated Trade Intelligence Portal (extract).

[21] Canada Border Services Agency, Notice of initiation of investigations: Unarmoured Building Cables (UBC 2026 IN), 16 March 2026; and Statement of Reasons (31 March 2026), in which the CBSA estimated a margin of dumping of 52.3 percent and recorded the complainant's reliance on the Australian Anti-Dumping Commission's finding on PVC Flat Electric Cables from China. Available at https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ubc2026/ubc2026-in-eng.html.

[22] Aluminum Wire and Cable from the People's Republic of China: Antidumping Duty and Countervailing Duty Orders, 84 Fed. Reg. 70496 (23 December 2019); and Aluminum Wire and Cable from the People's Republic of China: Continuation of Antidumping and Countervailing Duty Orders, 90 Fed. Reg. 26007 (18 June 2025). Available at https://www.federalregister.gov/documents/2025/06/18/2025-11232/aluminum-wire-and-cable-from-the-peoples-republic-of-china-continuation-of-antidumping-and.

measures, the European Commission doubled the anti-dumping duties in August 2023 to a range of 39.4 to 88 percent in order to restore their intended remedial effect.[23]

The Australian industry submits that the presence, continuation and intensification of trade-remedy measures against Chinese cable and wire products in other jurisdictions is a factor that influences global trade by narrowing the export destinations available to Chinese exporters. If the measures were to expire, Australia would likely become a comparatively more attractive and accessible market for Guilin, increasing the likelihood of trade diversion to Australia.

1.1.5 Conclusion

The Australian industry contends that, should the measures expire, exports of the goods from China by Guilin would be likely to continue or recur, on the basis that:

- exports of the goods from China have continued in substantial and growing volumes following the imposition of the measures, the majority of which the Australian industry understands to be supplied by Guilin through its related importer, Electra;
- Guilin has maintained its established distribution links to Australia through Electra;
- China holds substantial excess production capacity for the goods and their key inputs, and its industry (including Guilin) is strongly export-oriented; and
- Australia would remain an attractive and accessible market for Guilin's exports, particularly given the trade-remedy measures against Chinese cable and wire products in other jurisdictions.

1.2 Is dumping likely to continue or recur?

The Australian industry submits that dumping of the goods by Guilin is likely to continue or recur if the measures expire. The Australian industry submits that Guilin is currently dumping the goods into the Australian market.

Guilin's current dumping margin

On the conclusion of the Reconsideration, the Minister re-imposed dumping measures on the goods exported to Australia by Guilin, the Commission having found a dumping margin of 2.8 percent in respect of all of Guilin's export sales to Australia during the investigation period. That margin is the measure presently applicable to Guilin's exports of the goods.[24]

Construction of Guilin's normal value in INV 469

In INV 469, the Commission found that there were no sales of like goods by Guilin in the Chinese domestic market. Accordingly, its normal value could not be ascertained under subsection 269TAC(1) of the *Customs Act 1901*, and the Commission instead ascertained Guilin's normal value under subsection 269TAC(2)(c) as comprising the cost of production or manufacture of the goods in China, together with amounts for administrative, selling and general costs and for profit. That approach was maintained on reconsideration.[25]

Because Guilin's normal value is constructed from the cost to make and sell the goods, movements in Guilin's input costs translate directly into movements in its normal value. The most significant input cost for PVC flat electric cables is the market price for copper (for which common reference points are the London Metal Exchange (**LME**) and the Shanghai Copper Spot Index), followed by PVC. Other significant costs include distribution, packaging, direct labour and variable overheads. Changes in raw material copper prices therefore

[23] European Commission (Directorate-General for Trade), "EU tightens anti-dumping measures on optical fibre cables from China", 9 August 2023. Definitive anti-dumping measures were originally imposed in November 2021 (ranging from 19.7 to 44 percent) and anti-subsidy measures in January 2022. Available at https://policy.trade.ec.europa.eu/news/eu-tightens-anti-dumping-measures-optical-fibre-cables-china-defend-significant-eu-industry-2023-08-09_en.
[24] Reconsideration, para 109.
[25] REP 469; Reconsideration, paras 106–108.

have a significant impact on the cost to make and sell, and hence on the normal value, of PVC flat electric cables.

Movement in the copper price

The Australian industry has examined the movement in the LME cash copper price over recent periods. Chart 1.2.1 below shows the monthly average LME cash copper price from January 2022 to July 2026.[26]

[***Confidential chart deleted: Confidential Chart 1.2.1:*** *LME cash copper price – monthly average (Source: Confidential Attachment 1)*]

As Chart 1.2.1 shows, the copper price has risen materially over the period, and has risen sharply since late 2025, exceeding US$[*XXX*] per tonne by mid-2026 – well above the levels prevailing in the reference periods used in recent proceedings concerning the goods. Table 1.2.1 below compares the average LME cash copper price over the proposed inquiry period against those reference periods.

Reference period	**Average LME cash copper price (US$/t)**	**Inquiry period (FY2026) – Jul 2025 to Jun 2026 (US$/t)**	**Change (US$/t)**	**Change (%)**
CON 626 investigation period (Apr 2022 – Mar 2023)	[*XXX*]	[*XXX*]	+[*XXX*]	+[*XXX*]%
Minxing review investigation period (Apr 2024 – Mar 2025)	[*XXX*]	[*XXX*]	+[*XXX*]	+[*XXX*]%

Confidential Table 1.2.1: Movement in the average LME cash copper price (Source: Confidential Attachment 1)

The average LME cash copper price over the proposed FY2026 inquiry period was approximately [*XX*] percent higher than in the investigation period for the continuation of the measures (CON 626), and approximately [*XX*] percent higher than in the investigation period for the recent review of another exporter of the goods (the Minxing review). The copper price has continued to rise through the first half of calendar year 2026.

The Australian industry's assessment

Guilin's constructed normal value, driven predominantly by the cost of copper, will have risen materially since it was last assessed. At the same time, based on the Australian industry's understanding of Guilin's current in-market Australian export prices for the goods, those export prices have not risen commensurately with the increase in copper costs and the corresponding increase in Guilin's normal value. On that basis, the Australian industry believes that Guilin is currently dumping the goods, and submits that dumping by Guilin would be likely to continue or recur if the measures were to expire.

2. Will material injury continue or recur?

An assessment as to whether the expiry of the measures would lead, or would be likely to lead, to a continuation or recurrence of the material injury that the measures are intended to prevent involves a consideration of future outcomes based on an evaluation of the present position. In support of this analysis, the Australian industry has presented the economic condition of the Australian industry in the requisite formats, namely:

- volume and value of imports, and sources of imports by reference to [***confidential source deleted:*** *trade statistics*];[27] and

- performance of the local industry (cost to make, price trends, and profits and profitability).[28]

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[26] Confidential Attachment 1.
[27] Refer Confidential Appendix A2.
[28] Refer Confidential Appendix A6.1.

The Australian industry submits that, if the measures applicable to PVC flat electric cables exported from China by Guilin expire, material injury to the Australian industry would be likely to continue or recur.

2.1 The likely effect on prices, volumes and profits

REP 469 and the Reconsideration

In REP 469, and on the reconsideration of the measures as they related to Guilin, the Commission found that dumped exports of PVC flat electric cables from China, including those exported by Guilin, caused material injury to the Australian industry.[29]

In finding that material injury had been caused to the Australian industry by dumped and subsidised exports of the goods from China, the Commission found relevantly, that: [30]

- importers were able to pass on their rising input (copper) costs into the market, in an environment in which Australian industry members experienced the impact of rising costs sooner and were willing and actively trying to pass those increases through to their prices;
- the supplier offering the lowest weighted-average price to wholesalers in a given month generally exceeded its average monthly sales volume within that month;
- the lowest undumped and unsubsidised prices would, on average, be 6.6 percent above the Australian industry members' prices; and
- while the increase in copper prices in the second half of the investigation period contributed to the financial injury experienced by the Australian industry, that did not detract from the finding that dumped and subsidised imports of the goods from China caused material injury to the Australian industry during the investigation period.

As the measures the subject of this application relate to the exports of Guilin, the Australian industry draws particular attention to the Commission's findings concerning Guilin's exports through Electra. The Commission found that Guilin was the exporter of the goods (including those shipped through related trading companies), that Electra was a related party of Guilin, and that the price between Guilin and Electra appeared to be influenced by the relationship between them. This finding was maintained on reconsideration. The Australian industry submits that Guilin's exports, sold into the Australian market through the established Electra distribution channel, undercut the prices of the Australian industry during the injury period, and that this route to market persists.[31]

On whether dumping and material injury would continue, the Commission's reconsideration found that electrical wholesalers, which account for the majority of purchases of the goods, prefer to source PVC flat electric cable from multiple suppliers and will continue to look for lower-priced alternatives to locally produced goods. Given the price sensitivity of the Australian market, the interchangeability of the goods, and the importers' established routes to market, dumped imports would continue to be an attractive source of supply, and price competition from dumped imports would continue to have an adverse impact on the Australian industry.[32]

The Reconsideration is significant for the further reason that the Commission there rejected, on the evidence, the "changed circumstances" arguments advanced. In particular, the Commission was unable to verify the assertion that a major dumped supplier had ceased trading and was not satisfied that it had done so; and it found that the improved performance of the Australian industry occurred subsequent to, and was attributable (at least in part) to, the imposition of the measures – not to their absence.[33]

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[29] Reconsideration, paras 122–124. Refer https://www.industry.gov.au/sites/default/files/adc/public-record/469_-_043_-_pvc_cables_-_submission_to_the_minister_-_non-confidential_-_final.pdf
[30] Reconsideration, para 112, citing REP 469, Chapter 9 (at 9.4.2, 9.5, 9.6 and 9.7).
[31] Reconsideration, paras 22 and 28–39.
[32] Reconsideration, paras 125–126.
[33] Reconsideration, paras 130 and 132–134.

The Australian industry submits that the recovery in industry prices and conditions following imposition of the measures is itself evidence that, absent the measures, the injury would recur. The Commission found that the additional injury caused by Guilin's exports had not been remedied, that there was no evidence Guilin did not contribute to that injury, and that this warranted the imposition of measures on Guilin. Consistent with the Ministerial Direction on Material Injury, the Commission concluded that, despite the improved Australian industry performance, that improvement was still affected by the exportation of dumped goods.[34]

The current competitive dynamic

The Australian industry competes with the imported goods on price. PVC flat electric cables are a commodity product sold predominantly through electrical wholesalers and buying groups, and purchasing decisions in that channel are highly price-sensitive. In the Australian market, the Australian industry competes primarily against the goods supplied by Guilin, which the Australian industry considers to be the price leader for the goods. As a result, the Australian industry must set its prices having regard to competing import offers, and the presence of dumped imports depresses and/or suppresses the prices that the Australian industry is able to achieve.

The Australian industry's view of the likely effect on prices, sales volumes and profits if the measures were to expire involves an analysis of import volume and pricing patterns, including price undercutting (where known), for the exports of Guilin via Electra, to determine whether injury is likely to recur or continue.

Examples of price competition from Guilin / Electra during the proposed inquiry period

The following examples, from the proposed inquiry period, illustrate the direct price competition that the Australian industry faces.

Example 1

[***confidential text deleted:*** *example details*][35]

Example 2

[***confidential text deleted:*** *example details*][36]

Example 3

[***confidential text deleted:*** *example details*][37]

These examples demonstrate that [***confidential text deleted:*** *pricing assessments*].

The current economic condition of the Australian industry is set out in Confidential Appendix A6.1. Over the period FY2023 to FY2026, the Australian industry's net sales revenue from domestic sales of the goods [***confidential text deleted:*** *trend*], while its sales volume [***confidential text deleted:*** *trend*]. Over the same period, however, the Australian industry's unit cost to make and sell the goods [***confidential text deleted:*** *trend*] while its unit selling price rose [***confidential text deleted:*** *trend*].[38]

[***confidential text deleted:*** *impact of costs and selling prices on profits and profitability*]

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[34] Reconsideration, paras 133–135; see also the *Ministerial Direction on Material Injury 2012*.
[35] Confidential Attachment 2.1.
[36] Confidential Attachment 2.2.
[37] Confidential Attachment 2.3.
[38] Confidential Appendix A6.1.

On the basis of the findings in REP 469 and the Reconsideration, together with the current assessment provided, the Australian industry submits that, as a matter of probability, imports of PVC flat electric cables from Guilin would continue to be materially injurious to the Australian industry in the absence of measures.

2.2 The likely <u>volume</u> of imports would be significant in the absence of measures

As set out in section 1.1.1 above, imports of the goods from China have continued in substantial and growing volumes throughout the life of the measures, reaching approximately [*XXX*] million metres in FY2026. This represents an increase of approximately [*XX*] percent on the CON 626 investigation period, and accounts for approximately [*XX*] percent of all imports of the goods. China holds substantial excess production capacity for the goods and their key inputs, and its industry, including Guilin, is strongly export-oriented (see section 1.1.3 above).

The Australian industry submits that, if the measures were to expire, the volume of dumped imports of the goods from Guilin would be likely to increase further, given the price sensitivity of the Australian market, the established Guilin / Electra distribution channel, and the incentive to direct surplus production to export markets. Such an increase in the volume of dumped imports would be materially injurious to the Australian industry.

2.3 The likely <u>price</u> and profit effects would be significant in the absence of measures

The Australian industry competes with the dumped imports of the goods on the basis of price. As the cost of copper has risen, the Australian industry has been unable to recover those cost increases in its selling prices, because of the price competition from the dumped goods supplied by Guilin through Electra. The result has been sustained price suppression, as shown in Chart 2.3.1 below.

[***Confidential chart deleted: Confidential Chart 2.3.1:*** *Unit selling price and unit cost to make and sell, indexed (Source: Confidential Appendix A6.1)*]

As Chart 2.3.1 shows, over the period FY2023 to FY2026 the Australian industry's unit cost to make and sell the goods [***confidential text deleted:*** *trend*], while its unit selling price [***confidential text deleted:*** *trend*]. The Australian industry was [***confidential text deleted:*** *trend*], and by FY2026 its unit selling price [***confidential text deleted:*** *trend*]. In other words, the Australian industry was [***confidential text deleted:*** *trend*] (as reflected in Charts 2.3.2 and 2.3.3 below).

The effect of this price suppression on the Australian industry's profitability has been material, as shown in Charts 2.3.2 and 2.3.3 below.

[***Confidential chart deleted: Confidential Chart 2.3.2:*** *Unit gain/(loss) and profitability (Source: Confidential Appendix A6.1)*]

[***Confidential chart deleted: Confidential Chart 2.3.3:*** *Net gain/(loss) on domestic sales of the goods (Source: Confidential Appendix A6.1)*]

As shown, the Australian industry's net profit on domestic sales of the goods [***confidential text deleted:*** *trend*] in FY2026, and its profitability [***confidential text deleted:*** *trend*] over the same period.

The Australian industry submits that, if the measures were to expire, the price and profit effects would be significant. Removal of the measures would remove the discipline they impose on the prices of the dumped goods, allowing Guilin to further [***confidential text deleted:*** *exporter pricing trends*]. Given that the Australian industry is [***confidential text deleted:*** *trend*], any further price suppression would [***confidential text deleted:*** *trend*], causing further material injury to the Australian industry.

3. Conclusion

In its continuation assessment, the Commission must consider the period beyond the life of the current measures to determine whether it is likely that dumped and injurious exports of the goods from Guilin will continue. The Commission's recommendations must be based on judgements about future probabilities, and demonstrated commercial behaviour during the inquiry period is an essential pointer to what is more, or less, likely to happen in the future.

This application demonstrates that the likely impact of imports of the goods from China by Guilin on the Australian industry would be significant if the measures were discontinued. Should the discipline of the measures be removed, Guilin would be likely to export the goods to Australia in significantly higher volumes, and at lower prices, than is already the case. This reflects the structural conditions in China directly relevant to the exporter, including excess production capacity, reliance on export markets, and downward pressure on prices, which together create a strong incentive to increase export sales at dumped prices. Those unfairly traded imports would be likely to take further sales from the Australian industry and to depress and/or suppress Australian prices.

Given that the Australian industry is [***confidential text deleted:*** *injury trends*], those developments would be likely to cause its sales, market share, profits and profitability to decline further. Accordingly, the expiry of the measures would be likely to lead to a continuation or recurrence of material injury to the Australian industry.

The Australian industry has demonstrated in this application that the expiry of the measures on the goods would be likely to lead to a continuation, or a recurrence, of the dumping and the material injury that the measures are intended to prevent. Prysmian, on behalf of the Australian industry, requests that the Commissioner recommend to the Minister that the anti-dumping and countervailing measures on the goods not be allowed to expire on 1 September 2027.