

12 March 2012

Mr J Bracic  
Director Operations 1  
International Trade Remedies Branch  
Australian Customs and Border Protection Service  
Customs House  
5 Constitution Avenue  
Canberra  
Australian Capital Territory 2601



commercial-international

By email

Dear Mr Bracic

## Chememan Co Ltd – alleged dumping of quicklime from Thailand

We refer to Statement of Essential Fact Number 179 ("SEF 179"), published on 20 February 2012.

Chememan Co Ltd ("Chememan") supports the overall conclusion which is indicated by SEF 179.

### 1 Goods and like goods

Chememan continues to believe that the quicklime it produces in Thailand and exports to Australia is not a "like good" to that produced by the Australian industry. The different raw materials used and the resultant higher quality and granular-specificity of Chememan's quicklime does create very significant differences in its characteristics when compared to Australian-produced quicklime. We note our client's previous submissions on this point.

### 2 Dumping

First, Chememan submits that the 48% dumping margin reported in SEF 179 should be understood in the context of Chememan Australia's status as a start-up operation. Chememan's recently established Henderson distribution facility in Western Australia has handled only very low volumes of quicklime up to now. If reasonable throughput levels are achieved, Chememan Australia will gradually enjoy full cost recovery and profitability.

Secondly, and as reported in the exporter visit report, Chememan notes that its direct export sales to Australia were not dumped.

It has never been - and will never be - Chememan's intention to engage in any injurious dumping.

### 3 Causation

Chememan agrees that its exports of quicklime did not cause material injury to the Australian

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industry. Chememan supports the findings made by Customs:

- *that Thai quicklime imports into the Australian market has not had a material impact on Cockburn Cement's market share;*
- *that Thai quicklime imports during the investigation period were generally used for product testing by end-user customers and replaced very few potential sales by Cockburn Cement;*
- *that Cockburn Cement's selling price to the alumina sector was not impacted by dumped imports during the investigation period;*
- *that the price of imports from Thailand to the alumina sector, whether directly imported or purchased from Chememan Australia, did not undercut the Australian industry's prices during the investigation period;*
- *that imports do not hold a sufficient share of the Australian market to cause material injury [in the non-alumina sector]; and*
- *that there is not sufficient evidence to be satisfied of a causal link between the price of dumped imports and any injury the Australian industry may have suffered in the alumina sector.*

#### 4 Threat of material injury

Chememan agrees that Customs cannot be satisfied that there is a threat of material injury from dumped imports. There is no evidence which could support that proposition.

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This letter is non-confidential and may be placed on the public file

Yours sincerely



Daniel Moulis  
Principal