
The Director
Trade Measures Branch
Australian Customs and Border Protection Service
Customs House, 5 Constitution Avenue
Canberra ACT 2601
Via Email: tmops3@customs.gov.au; andrea.stone@customs.gov.au

Date: 2 May 2012
Subject: Dumping Margin and Subsidy Margin for Hengshui Jinghua Steel Pipe Co.,Ltd.
in Statement of Essential Facts No. 177

Dear sir or madam,

With regards to the Statement of Essential Facts No. 177 which announces a dumping margin of 28.1% and subsidy margin of 5.0% of Hengshui Jinghua Steel Pipe Co.,Ltd. ("Hengshui Jinghua"), the following arguments are hereby raised on behalf of Hengshui Jinghua.

1. Hengshui Jinghua is not affected by any governments' actions which are identified as special market situation listed in the Statement of Essential Facts. The verification team visiting Hengshui Jinghua also did not find any such government actions which constitute a special market situation in Hengshui Jinghua's production, operation or exportation. In fact, Hengshui Jinghua operated and exported under a complete market conditions.
2. An uplift of as benchmark price for raw materials of HSS, i.e. hot rolled coils does not have adequate basis and factual ground.
3. The hot rolled coils' prices of private-owned suppliers of Hengshui Jinghua shall not be lifted up because privately owned suppliers did not receive any benefits from governments or public bodies, neither affected by governments or public bodies.

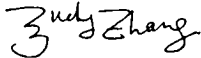
4. Subsidy Program 20 is double with the constructed domestic value which includes an uplift of hot rolled coils. 5.0% of subsidy margin arising from Program 20 is repeated calculation with 28.1% of dumping margin which is based on a constructed domestic value including a constructed hot rolled coils price.

In sum, we strongly oppose the dumping margin and subsidy margin levied for Hengshui Jinghua in the Statements of Essential Facts. Customs Service shall adopt minus 2% of dumping margin and no subsidy margin determined in Hengshui Jinghua's verification report.

Thanks and regards,

Judy Zhang

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