

21 November 2018

Mr Bora Akdeniz  
Case Manager  
Investigations 1  
Anti-Dumping Commission  
GPO Box 2013  
CANBERRA ACT 2601

Email: [investigations1@adcommission.gov.au](mailto:investigations1@adcommission.gov.au)

**Public File**

Dear Mr Akdeniz

**Investigation No. 469 – PVC flat electric cables exported from the People's Republic of China – Proposed unsuppressed selling price**

I. Introduction

The recently published Prysmian Australia Pty Ltd ("Prysmian") Industry Visit Report ("the Report") included commentary at Section 9 (Page 23) concerning a proposed unsuppressed selling price ("USP") for the goods exported to Australia. The Report indicates that Prysmian would make a submission to the Anti-Dumping Commission ("the Commission") on this matter.

The Commission's usual approach for establishing a USP is (in hierarchical form):

- The market approach – the industry selling price at a time when the Australian market was unaffected by dumping;
- The constructed approach – the Australian industry's CTMS during the investigation period, plus an amount for profit;
- Selling prices of undumped goods in the market.

II. Proposed USP

The Commission identified in the Report that Prysmian was unprofitable for all but one quarter across the four-year injury period (refer Section 7.5). It is Prysmian's position that it has suffered injury from the dumped exports from China across all of the examined injury period. Market selling prices, therefore, are influenced by the dumped and injurious exports from China.

As imports into Australia are predominantly Chinese (with any other imports heavily influenced by Chinese export prices), the selling prices of undumped imports is therefore not a suitable basis for a USP.

The constructed methodology is therefore the preferred methodology for calculating a USP for the Australian industry. The USP should encompass Prysmian's CTM&S for the 2.5 Twin and Earth ("TE") PVC flat cable ("2.5 TE cable") during the investigation period (i.e. calendar year 2017) plus an amount for profit. The amount of profit to be applied can be obtained from a sister cable manufactured by Prysmian – a product where prices are not affected by dumping on the Australian market. In this instance, the sister product is 1.5 mm 3CE PVC FLAT cable (i.e. 1.5 mm<sup>2</sup> multicore with earth, V-90 PVC insulated and 5V-90 sheathed).

The level of profit achieved for [description] cable in 2017 was xxxx per cent. Prysmian has included a cost breakdown for [description] cable in 2017 at Confidential Attachment 1.

**Prysmian Australia Pty Ltd** (A.B.N. 36 096 594 080)

**Address:**  
1 Heathcote Road  
LIVERPOOL NSW 2170 Australia  
**Phone** 1300 300 304

**Postal Address:**  
Locked Bag 7042  
Liverpool Business Centre 1871 NSW  
Australia

From the USP, the Commission can calculate the non-injurious price for the Chinese exports of 2.5 TE cable to Australia.

III. Recommendation

Prysmian proposes that the Commission base a USP for 2.5 TE cable based upon the constructed methodology, as market prices across the injury period are materially influenced by Chinese export prices (including export prices from other source countries). The level of profit to be applied to the USP is that achieved by Prysmian for a sister product that is not affected by dumping on the Australian market (i.e for 1.5 mm 3CE PVC FLAT cable).

If you have any questions please do not hesitate to contact me on (02) 9600 0306 or Prysmian's representative Mr John O'Connor on (07) 3342 1921.

Yours sincerely



Hamavand Shroff  
Chief Executive Officer – Australia & New Zealand