



Customs Act 1901 – Part XVB

ANTI-DUMPING NOTICE NO. 2019/47

PVC FLAT ELECTRICAL CABLES EXPORTED TO AUSTRALIA FROM THE PEOPLE'S REPUBLIC OF CHINA

Findings in relation to a dumping and subsidy Investigation

Public notice under subsections 269TG(1) and 269TG(2),
and 269TJ(1) and 269TJ(2), of the *Customs Act 1901*

Public notice under subsections 8(5) and 10(3B)
of the *Customs Tariff (Anti-Dumping) Act 1975*

The Commissioner of the Anti-Dumping Commission (the Commissioner) has completed an investigation, which commenced on 4 June 2018, into the alleged dumping and subsidisation of certain polyvinyl chloride (PVC) flat electrical cables (the goods) exported to Australia from the People's Republic of China (China).

The goods

The goods the subject of the investigation (the goods) are:

Flat, electric cables, comprising two copper conductor cores and an 'earth' (copper) core with a nominal conductor cross sectional area of between, and including, 2.5 mm² and 3 mm², insulated and sheathed with polyvinyl chloride (PVC) materials, and suitable for connection to mains electricity power installations at voltages exceeding 80 volts (V) but not exceeding 1,000 V, and complying with Australian/New Zealand Standard (AS/NZS) AS/NZS 5000.2 (the Australian Standard), and whether or not fitted with connectors.

The following products are excluded from the investigation:

- single core cables, being cables with a single active core;
- aerial cables as defined by the Australian Standard;
- twin active flat cables, that is, flat cables comprising two active cores but no earth core;
- circular cables as defined by the Australian Standard;
- cables insulated and/or sheathed with non-PVC material, including but not limited to cross-linked polyethylene (XLPE) materials, including a combination of PVC and non-PVC material;
- cables comprising cores made of aluminium conductors; and
- flexible cables (cords) as defined by AS/NZS 3191 and/or AS/NZS 60227.

The locally produced goods are 2.5 Twin and Earth (TE) PVC flat cable (2.5 TE cable) that is commonly referred to as 'building wire', because of its use by the building and construction industry in domestic, commercial and industrial mains power supply low-voltage wiring installations.

The term 'flat cables' mean cables where the conductor and earth cores are laid parallel in the same plane, as defined by the Australian Standard. The reference to "two copper conductor cores" refers to the 'phase core' and the 'neutral core'. The earth core (also comprising copper) is additional to these two active cores.

Tariff classification

The goods are generally, but not exclusively, classified to tariff classification 8544.49.20 (statistical code 41) in Schedule 3 to the *Customs Tariff Act 1995*.

This tariff classification and statistical code may include goods that are both subject and not subject to this investigation. The listing of this tariff classification and statistical code is for convenience or reference only and does not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods that are the subject of this investigation.

The Commissioner reported his findings and recommendations to me in *Anti-Dumping Commission Report No. 469* (REP 469). REP 469 outlines the investigation carried out and recommends the publication of:

- a dumping duty notice in respect of the goods exported from China; and
- a countervailing duty notice in respect of the goods exported from China except from Guilin International Wire & Cable Co. Ltd.

I have considered REP 469 and accepted the Commissioner's recommendations and reasons for the recommendations, including all material findings of fact and law on which the Commissioner's recommendations were based, and particulars of the evidence relied on to support the findings. This report is available at www.adcommission.gov.au.

The method used to compare export prices and normal values to determine whether dumping has occurred and to establish the dumping margins was to compare the weighted average of export prices with the weighted average of corresponding normal values over the investigation period pursuant to subsection 269TACB of the *Customs Act 1901* (the Act). The normal values were established under subsection 269TAC of the Act. The export prices were established under subsection 269TAB of the Act.

Particulars of the dumping margins determined and an explanation of the methods used to compare export prices and normal values to establish each dumping margin are set out in the following table:

Exporter/Manufacturer	Dumping margin	Method to establish dumping margin
Guilin International Wire & Cable Co. Ltd	6.6%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in accordance with subsection 269TAC(2)(a) of the <i>Customs Act 1901</i> .
Nanyang Cable (Tianjin) Co. Ltd.	33.2%	
Uncooperative and all other exporters	33.2%	

I, KAREN ANDREWS, Minister for Industry, Science and Technology, have considered, and accepted, the recommendations of the Commissioner, the reasons for the recommendations, the material findings of fact on which the recommendations are based and the evidence relied on to support those findings in REP 469.

I am satisfied, as to the goods that have been exported to Australia, that the amount of the export price of the goods is less than the normal value of those goods and because of that, material injury to the Australian industry producing like goods would or might have been caused if securities had not been taken. Therefore under subsection 269TG(1) of the Act, I DECLARE that section 8 of the *Customs Tariff (Anti-Dumping) Act 1975* (the Dumping Duty Act) applies to:

- (i) the goods; and
- (ii) subject to section 45 and subsection 269TN(2) of the Act, like goods that were exported to Australia for home consumption on or after 7 January 2019, which is when the Commonwealth took securities following the Commissioner's Preliminary Affirmative Determination published on 4 January 2019 under section 269TD of the Act, but before the publication of this notice.

I am also satisfied that the amount of the export price of like goods that have already been exported to Australia is less than the amount of the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods and because of that, material injury to an Australian industry producing like goods has been caused. Therefore under subsection 269TG(2) of the Act, I DECLARE that section 8 of the *Customs Tariff (Anti-Dumping) Act 1975* applies to like goods that are exported to Australia after the date of publication of this notice.

This declaration applies in relation to all exporters of the goods and like goods from China.

To determine the amount of subsidy received by the Chinese exporters, the total benefit has been attributed to each unit of PVC flat electrical cables (per metre) using volume of sales of the goods. The amount of the benefit is expressed as a percentage of export price for each exporter, for each countervailable program pursuant to subsection 269TACD of the Act. Exporter specific subsidy margins have been calculated.

Particulars of the subsidy margins determined and an explanation of the methods used to establish each subsidy margin are set out in the following table:

Exporter/Manufacturer	Subsidy margin	Countervailable subsidy programs*	Method to establish subsidy margin
Nanyang Cable (Tianjin) Co. Ltd.	3.1%	1 and 5	The amount of benefit received has been attributed to each unit of PVC flat electrical cables (per metre) using volume of sales of the goods.
Uncooperative and all other exporters	3.7%	1, 5, 23, 27, 32, 36, 38, 40, 43, 44 and 45	The amount of the benefit is expressed as a percentage of export price for each exporter, for each countervailable program, in accordance with subsection 269TACD of the <i>Customs Act 1901</i>

*The names and details of the each of the countervailable subsidy programs are available in REP 469

I am satisfied, as to the goods that have been exported to Australia from China, that countervailable subsidies have been received in respect of the goods and because of that, material injury to the Australian industry producing like goods would or might have been caused if security had not been taken. Therefore under subsection 269TJ(1) of the

Customs Act 1901 (the Act), I DECLARE that section 10 of the *Customs Tariff (Anti-Dumping) Act 1975* (the Dumping Duty Act) applies to:

- (i) the goods; and
- (ii) subject to section 45 and subsection 269TN(2) of the Act, like goods that were exported to Australia for home consumption on or after 7 January 2019, which is when the Commonwealth took securities following the Commissioner's Preliminary Affirmative Determination published on 4 January 2019 under section 269TD of the Act, but before the publication of this notice.

I am satisfied that countervailable subsidies has been received in respect of goods that have already been exported to Australia and that countervailable subsidies may be received in respect of like goods that may be exported to Australia in the future and because of that material injury to an Australian industry producing like goods has been caused. Therefore under subsection 269TJ(2) of the Act, I DECLARE that section 10 of the Dumping Duty Act applies to like goods that are exported to Australia after the date of publication of this notice. This declaration applies in relation to all exporters of the goods and like goods from China, with the exception of Guilin International Wire & Cable Co. Ltd.

I, KAREN ANDREWS, Minister for Industry, Science and Technology, having decided to issue a notice pursuant to subsections 269TG(1) and (2) of the Act in respect of the goods, DETERMINE, pursuant to subsection 8(5) of the *Customs Tariff (Anti-Dumping) Act 1975* (the Dumping Duty Act), that the interim dumping duty payable on the goods is an amount worked out in accordance with the combination of fixed and variable duty method specified in sub-regulation 5(2) and 5(3) of the *Customs Tariff (Anti-Dumping) Regulation 2013*.

I, KAREN ANDREWS, Minister for Industry, Science and Technology, having decided to issue a notice pursuant to subsections 269TJ(1) and (2) of the Act in respect of the goods, DIRECT, pursuant to subsection 10(3B) of the Dumping Duty Act, that the interim countervailing duty referred to in subsection 10(3A) of that Act in respect of PVC flat electrical cables exported from China be ascertained as a proportion of the export price of those particular goods.

Pursuant to subsection 8(5BA) of the Dumping Duty Act, I have had regard to the desirability of specifying a method such that the sum of:

- a) the export price of goods of that kind as so ascertained or last ascertained;
- b) the amount of the interim countervailing duty payable; and
- c) the interim dumping duty payable on the goods;

does not exceed the non-injurious price of goods of that kind as ascertained for the purpose of this notice in respect of goods exported from China.

This notice applies to the goods and like goods entered for home consumption on and after the day this notice is published.

Particulars of the dumping and subsidy margins established for each of the exporters and the effective rates of duty are set out in the following table:

Exporter / Manufacturer	Fixed component of interim dumping duty	Interim countervailing duty	Effective rate of combined interim dumping and countervailing duties
Guilin International Wire & Cable Co. Ltd or supplied by its related party entities:			
<ul style="list-style-type: none"> Guilin Feilong Wire and Cable Ltd Guilin Xianglong Wire and Cable Ltd; Guilin Fortune Import and Export Trading Co. Ltd Guilin Yuanhai Import and Export Trading Co. Ltd Interest Link Co. Ltd Guangxi Machinery Import and Export Co. Ltd 	6.6%	Not applicable	6.6%
Nanyang Cable (Tianjin) Co. Ltd.	18.9%	3.1%	22.0%
Uncooperative and all other exporters	18.3%	3.7%	22.0%

Please note that the calculation of combined dumping and countervailing duties is not simply a matter of adding the dumping and subsidy margins. Rather, the collective interim dumping duty and interim countervailing duty imposed in relation to the goods, is the sum of:

- subsidy rate calculated for all countervailable programs, and
- the dumping rates calculated.

The considerations relevant to my determination that dumped and subsidised goods from China have materially injured the Australian industry producing PVC flat electrical cable are the size of the dumping and/or subsidy margins, the effect of dumped and subsidised imports from China on prices in the Australian market and the consequent impact on the Australian industry, including:

- loss of sales volumes;
- loss of market shares;
- price suppression;
- reductions in profit and profitability;
- reduced return on investment;
- reduced capacity utilisation; and
- reduced employment hours.

In making my determination, I have considered whether the Australian industry is being injured by a factor other than the exportation of dumped and subsidised goods, and I have not attributed injury due to any other factor other than the exportation of those dumped and/or subsidised goods.

Interested parties may seek a review of this decision by lodging an application with the Anti-Dumping Review Panel, in accordance with the requirements in Division 9 of Part XVB of the Act, within 30 days of the publication of this notice.

Particulars of the export prices, non-injurious prices and normal values of the goods (as ascertained in the confidential tables to this notice) will not be published in this notice as they may reveal confidential information.

Clarification about how measures and securities are applied to 'goods on the water' is available in ACDN No. 2012/34, available at www.adcommission.gov.au.

REP 469 and other documents included in the public record may be examined on the public record, which is available at www.adcommission.gov.au.

Enquiries about this notice may be directed to the case manager on telephone number +61 3 8539 2438 or email at investigations1@adcommission.gov.au.

Dated this 8th day of May 2019

A handwritten signature in blue ink, appearing to read 'Karen Andrews', written over a horizontal line.

KAREN ANDREWS
Minister for Industry, Science and Technology