



Customs Act 1901 – Part XV B

Anti-Dumping Notice No. 2018/111

Aluminium Extrusions

Exported from the People's Republic of China

Initiation of a Review of Anti-Dumping Measures

Notice under subsection 269ZC(5) of the Customs Act 1901

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission have initiated a review of the anti-dumping measures applying to certain aluminium extrusions (the goods) exported to Australia from the People's Republic of China (China). The anti-dumping measures are in the form of a countervailing duty notice and a dumping duty notice.

The review will examine whether the variable factors (export price, normal value and the amount of countervailable subsidy received) relevant to the taking of the anti-dumping measures as they affect exporters of the goods from China generally have changed.

The Goods

The goods subject to anti-dumping measures are:

Aluminium extrusions produced via an extrusion process, of alloys having metallic elements falling within the alloy designations published by The Aluminium Association commencing with 1, 2, 3, 5, 6 or 7 (or proprietary or other certifying body equivalents), with the finish being as extruded (mill), mechanical, anodized or painted or otherwise coated, whether or not worked, having a wall thickness or diameter greater than 0.5 mm., with a maximum weight per metre of 27 kilograms and a profile or cross-section which fits within a circle having a diameter of 421 mm.

The goods include aluminium extrusion products that have been further processed or fabricated to a limited extent, after aluminium has been extruded through a die. For example, aluminium extrusion products that have been painted, anodised, or otherwise coated, or worked (e.g. precision cut, machined, punched or drilled) fall within the scope of the goods.

The goods subject to the anti-dumping measures do not include intermediate or finished products that are processed or fabricated to such an extent that they no longer possess the nature and physical characteristics of an aluminium extrusion, but have become a different product.

The goods are currently classified to following tariff subheadings and statistical codes in Schedule 3 to the *Customs Tariff Act 1995*

Tariff subheading	Statistical code
7604.10.00	06
7604.21.00	07, 08
7604.29.00	09, 10
7608.10.00	09
7608.20.00	10
7610.10.00	12
7610.90.00	13

These tariff classifications and statistical codes may include goods that are both subject and not subject to the review. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods the subject of this review.

Background to the measures

The anti-dumping measures were initially imposed by public notice on 28 October 2010 following the publication of *Trade Remedies Branch Report No. 148*.

On 20 October 2015, in response to the findings of *Continuation Inquiry No. 287*, the then Assistant Minister for Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science (the former Parliamentary Secretary) continued the measures for a further five years, until 28 October 2020.

A subsequent review of anti-dumping measures applying to the goods resulted in the former Parliamentary Secretary accepting the recommendations following consideration of *Anti-Dumping Commission Report No. 392* (REP 392) and varying the variable factors relevant to the taking of anti-dumping measures as they affect all exporters of the goods from China. The current measures were implemented on 11 November 2017.

The current anti-dumping measures are applicable to all exporters from China, with the exception that the dumping duty notice and countervailing duty notice do not apply to Guangdong Jiangsheng Aluminium Co Ltd (formerly known as Tai Ao Aluminium Tai Shan Co Ltd) and the dumping duty notice does not apply to Guangdong Zhongya Aluminium Company Limited.

The Anti-Dumping Commission (the Commission) is currently conducting a dumping investigation in relation to the goods exported to Australia from China by Guangdong Jiangsheng Aluminium Co., Ltd and Guangdong Zhongya Aluminium Company Limited, and the goods exported to Australia from the Kingdom of Thailand generally. The dumping investigation was initiated on 19 October 2017 (Anti-Dumping Notice 2017/144). The Commission published a report, *Statement of Essential Facts No. 442* (SEF 442), on the public record on 12 June 2018. Based on the findings detailed in SEF 442, the Commissioner proposes to terminate the investigation, subject to any submissions.

The current review

I initiated this review after a request was made by the Assistant Minister for Science, Jobs and Innovation to the Minister for Jobs and Innovation (the Assistant Minister)¹ to review the dumping and countervailing measures as they affect exporters of aluminium extrusions exported to Australia from China. The Assistant Minister's request was made pursuant to subsection 269ZA(3) of the *Customs Act 1901* (the Act)². A copy of the request is included at the end of this notice.

The Assistant Minister has requested that I initiate this review because the variable factors relevant to the taking of measures in relation to aluminium extrusions exported to Australia from China may have changed following the completion of the *Review of Measures No. 392*.

In his assessment, the Assistant Minister considered the increase in the London Metal Exchange (LME) price, a global price benchmark relevant to the production of aluminium extrusions, and corresponding movements of export prices from China and selected other countries exporting aluminium extrusions to Australia. The Assistant Minister now considers the current rates of duty applicable to Chinese exports of the goods may not be an accurate reflection of the level of duty necessary to minimise the effects of dumping and subsidisation in the Australian market.

The current review period is 1 July 2017 to 30 June 2018 and covers all exporters of the goods from China³. The review will focus on an examination of the variable factors relevant to the taking of the measures.

After concluding the review, I will recommend to the Assistant Minister that the dumping duty notice and/or countervailing duty notice:

- i. remain unaltered; or
- ii. have effect as if different variable factors had been ascertained.

If an affected party considers that it can provide evidence that may satisfy me that there are reasonable grounds for determining that anti-dumping measures are no longer warranted, that party may lodge an application no later than **20 August 2018**⁴ to request that I consider that evidence to extend a review of anti-dumping measures to include revocation.

Future Reviews

Under subsection 269ZA(2) of the Act, an application for a review must not be made earlier than 12 months after the publication of the notice implementing the original

¹ On 20 December 2017, the Prime Minister appointed the Parliamentary Secretary to the Minister for Jobs and Innovation as the Assistant Minister for Science, Jobs and Innovation. For the purposes of this decision the Minister is the Assistant Minister.

² All legislative references in this notice are to the *Customs Act 1901*, unless otherwise stated.

³ With the exception of Guangdong Jiangsheng Aluminium Co Ltd for both the dumping duty notice and countervailing duty notice and Guangdong Zhongya Aluminium Company Limited in respect of the dumping duty notice.

⁴ In accordance with subsection 269ZCB(1)(a) of the Act, however as 37 days from the publication of this notice is a Saturday, the effective due date for the lodgement of an application is the following business day, Monday, 20 August 2018.

measure or the notice declaring the outcome of the last review. Once a notice declaring the outcome of this review is published (regardless of the outcome), an application for a review of measures in relation to the dumping duty and countervailing duty notices that are the subject of this review cannot be made for a period of 12 months.

Public Record

A public record must be maintained for each in review. The public record must contain, among other things, a copy of all submissions from interested parties.

Documents included in the public record may be examined at the Commission's office by contacting the case manager on the details provided below. Alternatively, the public record is available at www.adcommission.gov.au

Lodgement of submissions

Interested parties, as defined by subsection 269T(1) of the Act, are invited to lodge written submissions concerning this review, no later than the close of business on 20 August 2018, The Commission's preference is to receive submissions by email to investigations4@adcommission.gov.au. Alternatively, submissions may also be faxed to +61 3 8539 2499 or addressed to:

The Director
Investigations 4
GPO Box 2013
Canberra ACT 2601

Interested parties wishing to participate in the review must ensure that submissions are lodged promptly. Interested parties should note that I am not obliged to have regard to a submission received by the Commission after the date mentioned above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts on the public record.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY".

Interested parties making submissions must also provide a non-confidential version for public record (clearly marked "PUBLIC RECORD").

Sampling of exporters

I propose to make findings on the basis of the information obtained from an examination of a selected number of exporters as outlined at Attachment A.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Assistant Minister within the legislative timeframe. A statement of essential facts (SEF) will be placed on the public record by **30 October 2018**, or by such later date as allowed in accordance with section 269ZHI of the Act.⁵ The SEF will set out the essential facts on which I propose to base a recommendation to the Assistant Minister. Interested parties are invited to lodge submissions in response to the SEF within 20 days of the SEF being placed on the public record

Report to the Assistant Minister

Submissions received in response to the SEF will be taken into account in preparing the report and recommendation to the Assistant Minister. A recommendation to the Assistant Minister will be made in a report on or before **14 December 2018** (or such later date as is allowed).

Interested party list

Throughout the review, the Commission will maintain a list of interested parties. Updates on the review will be sent to parties on this list. If you would like to be added to the interested party list, please email investigations4@adcommission.gov.au.

Anti-Dumping Commission contact

Enquiries about this notice may be directed to the Case Manager on telephone number 02 6276 1404 or email investigations4@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

12 July 2018

⁵ On 14 January 2017, the Parliamentary Secretary delegated the powers and functions of the Minister under section 269ZHI of the Act to the Commissioner of the Anti-Dumping Commission. Refer to Anti-Dumping Notice No. 2017/10 for further information.

Application of sampling provisions

Subsection 269TACAA(1) states that where the number of exporters from a particular country of export in relation to an investigation, review or inquiry is so large that it is not practicable to examine the exports of all of those exporters, then the investigation, review or inquiry may be carried out, and findings may be made, on the basis of information obtained from an examination of a selected number of those exporters who:

- a) constitute a statistically valid sample of those exporters; or
- b) are responsible for the largest volume of exports to Australia that can reasonably be examined.

I note that there were over 300 suppliers of the goods listed in the Australian Border Force (ABF) import database during the review period. Given the large number of exporters, it is not practicable to examine the exports of all of those exporters. Accordingly, I will carry out this review on the basis of information obtained from an examination of a selected number of exporters who are responsible for the largest volume of exports to Australia that can reasonable be examined.

Selected exporters

In this instance, I currently intend to limit the review to the examination of exports by:

- Foshan Shunde Beijiao Jiawei Aluminium Factory;
- Guangdong Jinxiecheng Al Manufacturing Co Ltd;
- Guangdong Zhongya Aluminium Company Ltd;
- PanAsia Aluminium (China) Limited; and
- Tai Shan City Kam Kiu Aluminium Extrusion Co Ltd.

According to data obtained from the ABF import database, the selected exporters represent approximately 82 per cent of the volume of the goods⁶ (measured by quantity reported in kilograms) exported to Australia from China during the review period.

The Commission will contact the selected exporters directly and invite them to complete an exporter questionnaire with respect to the review period. Certain importers may also be contacted directly and invited to complete an importer questionnaire.

If an exporter other than a selected exporter wishes to complete an exporter questionnaire, the exporter questionnaire has also been placed on the Commission's website at www.adcommission.gov.au.

If information is submitted by an exporter that is not named above as a selected exporter, the review must extend to that exporter unless to do so would prevent its timely completion. In assessing whether extending the review to that exporter will prevent the timely completion of the review, I may consider the following:

- the level of cooperation from the selected exporters;
- the number of the other exporters seeking individual examination; and
- the available resources within the Commission to undertake either on-site or remote verification.

⁶ Subject to current measures.

Responses to the exporter questionnaire are due by **20 August 2018**.

Residual exporters, information request and associated spreadsheets

Exporters of the goods other than the five selected exporters named above are requested to make themselves known to the Commission and provide a basic level of information, via an information request and associated spreadsheets. This information will assist in the review and may assist me to determine whether additional exporters will be included as selected exporters, if necessary, for example in the event that selected exporters named above do not cooperate with the review, or if an exporter is identified as exporting larger volumes of the goods than those exporters that are initially selected.

It is important to note that once an exporter has been selected to participate in the review they must cooperate by completing the exporter questionnaire. Incomplete, unreliable or unverifiable information may result in the exporter being considered uncooperative, even in the event the exporter initially provided information in the information request.

The information request and associated spreadsheets are available on the Commission's website at www.adcommission.gov.au.

By completing the information request and associated spreadsheets, for the purposes of this review, exporters of the goods will be regarded as 'residual exporters' if their exports are not examined as part of the review and they are not an uncooperative exporter in relation to the review.

In making assessments in relation to the variable factors for residual exporters, the Commission will not calculate:

- export prices that are less than the weighted average of export prices for cooperative exporters; and
- normal values that exceed the weighted average of normal values for cooperative exporters.⁷

The Commission will determine subsidy margins for the residual exporters having regard to the amount of countervailable subsidies received by the selected exporters.

Responses to the information request and associated spreadsheets are due by **20 August 2018**.

Uncooperative exporters and non-cooperative entities

For the purposes of this review, any exporter who does not cooperate with the review by providing a completed exporter questionnaire response or by providing a response to the information request and associated spreadsheets, may be considered as an uncooperative exporter and/or a non-cooperative entity.

Assessments in relation to the variable factors for uncooperative exporters and non-cooperative entities, will be based on all relevant information.

⁷ Subsection 269TACAB(2) of the Act.



6 - JUN 2018

Anti-Dumping
Commission

31 MAY 2018

Senator the Hon Zed Seselja

Assistant Minister for Science, Jobs and Innovation

Mr Dale Seymour
Commissioner
Anti-Dumping Commission
GPO Box 2013
CANBERRA ACT 2060

Dear Mr Seymour

I, ZED SESELJA, the Assistant Minister for Science, Jobs and Innovation, REQUEST that you initiate a review of the anti-dumping measures in relation to certain aluminium extrusions exported to Australia from the People's Republic of China (China) as they affect the exporters of those goods generally, because the variable factors relevant to the taking of measures in relation to those exporters may have changed. I am making this request pursuant to subsection 269ZA(3) of Division 5 of XVB of the *Customs Act 1901*.

The reason for making this request is to address changes which have occurred in the market for Chinese aluminium extrusions exported to Australia since the notice relating to the measures applicable to Chinese exports of aluminium extrusions was altered in November 2017 following the completion of *Review of Measures No. 392*.

Upon considering the information put before me by the Anti-Dumping Commission regarding the circumstances relating to aluminium extrusions exported to Australia from China, I consider that the current rates of duty applicable to Chinese exports may not be an accurate reflection of the level of duty necessary to combat dumping and subsidisation.

I am therefore of the opinion that a review of the anti-dumping measures currently applicable to aluminium extrusions exported to Australia from China is warranted.

Dated this 31st day of May 2018

Yours sincerely

Senator the Hon Zed Seselja