#### BEFORE THE ANTI-DUMPING COMMISSION

In the matter of the Review of Anti-dumping Measures

Applying to Aluminium Extrusions Exported to Australia from

The People's Republic of China

NO. 482

# **Submission on the Statement of Essential Facts**

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### I Introduction

- [1] Goomax Metal Co., Ltd Fujian (Hereinafter referred to as "Goomax") is a Chinese exporting producer of aluminium extrusions. In the review of anti-dumping measures applying to aluminium extrusions exported to Australia from the People's Republic of China No. 482 (Hereinafter referred to as "Review 482"), Goomax was not one of the selected exporters, but Goomax has submitted a response to the full exporter questionnaire.
- [2] On 31 October to 2 November 2018, the verification team conducted an on-spot verification at the location of Goomax.
- [3] On 22 February 2019, the Commission published the Statement of Essential Facts for Review 482 (Hereinafter referred to as "the SEF") and proposed a fixed rate of combined IDD and ICD of 43.5% for Goomax.
- [4] The comments below are submitted on behalf of Goomax.

### II Comments on Determination of Normal Value for Goomax

- [5] According to Section 6.5.3 of the SEF, the Commission has established Goomax's normal value pursuant to subsection 269TAC(6), with reference to the residual normal value, i.e. the weighted average normal values for the like goods of the selected exporters. And the normal value for the selected exported are constructed based on the export cost of production of aluminium extrusions; the domestic selling, general and administrative costs; and an amount of profit.
- [6] Goomax notices that, the weighted average normal values of the selected exporters are unreasonably high. Goomax recalls the normal values calculated for Goomax in the last Review of measures applying to aluminium extrusions from China (Review 392), which are 【Confidential】 RMB/Kg for Mill, 【Confidential】 RMB/Kg for Anodise and 【Confidential】 RMB/Kg for Powder coat. The weighted average normal values applied to Goomax in the current Review 482 are more than 【Confidential】 higher than that calculated for Goomax in Review 392. In spite of the increase in the London Metal

Exchange (LME) price and a global price benchmark relevant to the production of aluminium extrusions, and certain cost difference within acceptable limit between companies, such high normal values are unreasonable.

【Confidential information concerning the normal values calculated for Goomax in Review 392】

- [7] In Goomax's view, certain factors for calculation of the normal value may be different between Goomax and the selected exporters, which has caused such a high weighted average normal value. For example, Goomax notices Kam Kiu's submission dated 18 February 2019 in response to the Verification Team's Exporter Verification Report, indicating that Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd (KAE) also manufactures and sells domestically a range of models that are used in medical equipment, in the motor vehicle industry and in mobile phones (High-end Models), the profit of which is higher than that of ordinary models, but the Commission also include these models when calculating the normal value.
- [8] Goomax manufactures and sells ordinary aluminium extrusions instead of Highend Models. Thus, Goomax cannot achieve such high profit as the High-end Models in the domestic market. Under this circumstance, Goomax assumes that its high dumping margin was to some extent influenced by the above-mentioned factor.
- [9] Similarly, there may be other differences in the factors for construction of normal value between Goomax and the selected exporters, such as the labor cost, the SG&A and the profit, due to differences in production modes or sales modes. As a result of the confidentiality of the selected companies' data, Goomax is not in a position to indicate exactly where the differences are and the level of the differences. However, the Commission has sufficient information and data to examine the same.
- [10] According to Article 2.4 of WTO Anti-dumping Agreement, "a fair comparison shall be made between the export price and the normal value ...... Due allowance shall be made in each case, on its merits, for differences which affect price comparability, including differences in conditions and terms of sale, taxation,

levels of trade, quantities, physical characteristics, and any other differences which are also demonstrated to affect price comparability......" Thus, regarding possible differences in certain factors for calculation of normal value between Goomax and the selected exporters, such as product difference, due adjustments should be made when calculating the weighted average normal value for Goomax to ensure a fair comparison.

## **III Conclusion**

- [11] In conclusion, Goomax would like to state that, since the normal value for Goomax was determined as the weighted average normal value of the selected exporters, certain differences between Goomax and the selected exporters which may have an influence on the calculation of the normal value should be considered and due adjustments should be made if necessary.
- [12] Goomax hereby respectfully requests the Commission to make a consideration of Goomax's above comments and duly revise the calculation of the normal value for Goomax.

Submitted on behalf of Goomax,

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