



中倫律師事務所
ZHONG LUN LAW FIRM

北京市朝阳区建国门外大街甲6号SK大厦31、33、36、37层 邮政编码: 100022
31, 33, 36, 37/F, SK Tower, 6A Jianguomenwai Avenue, Chaoyang District, Beijing 100022, P.R.China
电话/Tel: (8610) 5957 2288 传真/Fax: (8610) 6568 1022/1838
网址: www.zhonglun.com

Beijing, 23 March 2020

Investigations Unit 4
Anti-Dumping Commission
Australian Department of Industry, Innovation and Science
GPO Box 2013, Canberra ACT 2601
Email: Investigations4@adcommission.gov.au

Subject: Continuation Inquiry No 543 into Anti-Dumping Measures on Aluminium Extrusions Exported from the People's Republic of China.
Request for Clarification on Auto Parts of KAE

Our client: Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd.

Dear Mr. Reuben McGovern,

We, on behalf of our client, Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd. (hereinafter referred to as "KAE"), respectfully request for the Commission's clarification on whether certain products produced by KAE are within the scope of product subject to this current inquiry. For that purpose, special reference is made as follows to the Section titled "GOODS SUBJECT TO ANTI-DUMPING MEASURES" in the exporter's questionnaire.

The first part of the products KAE wants to clarify is the auto parts produced and sold by KAE during the inquiry period, such goods are used as (the part of) bumpers, slide rail for car sunroof, the auto structures, etc. Please see the pictures below of some of the representative products concerned:

*[Limited: Pictures of KAE's auto product]

Note: [This information is related to the Company's commercial activities and sensitive business information, disclosure of such information could harm the Company's market and competitive position.]

As these products have been conducted by substantial further processing, including but not limited to, being machined, cut, punched, drilled, polished/coated, or even have been assembled/welded together as partly assembled products, such as the product below:

*[Limited: Pictures of KAE's auto product]

Note: [This information is related to the Company's commercial activities and sensitive business information, disclosure of such information could harm the Company's market and competitive position.]

It's worth to note that such machining and processing are of the nature that change the products from an aluminium extrusion, or upstream goods into an auto part, or downstream product, because of (1) substantial and heavy machining and processing conducted; (2) the very strict technical requirements and precision requirements for automobile industry and high qualification/test standard¹; (3) the change to HS code after such processing, i.e. from a HS code designated to aluminium product into HS code for auto parts (e.g. subject to HS subheading 8708), etc. Because of these reasons, KAE submits that the auto parts produced and sold by it should be singled out from the scope of products subject to this inquiry and be regarded as Non-GUC, thus are not required to be reported in the questionnaire response/spreadsheets there of as GUC.

Based on the comprehensive understanding of this and previous investigations with respect to this product conducted by the Commission, and also the understanding of the exporter's questionnaire of this inquiry, especially the section titled "GOODS SUBJECT TO ANTI-DUMPING MEASURES", KAE understands that auto parts produced and sold by KAE are not GUC. However, to be prudent and out of the spirit of full cooperation, KAE hereby requests the Commission's clarification. Also, KAE hereby provides a full list of auto part products it produced and shipped during inquiry period, with product codes, purpose of use (which part of the auto vehicle the part(s) belongs to), the customer/project name and stock-out quantity during the period. Please refer to **Exhibit. Full List of Auto Products of KAE**. And there are also the pictures/drawings of the respective parts within this list. With such a full list, we believe the Commission may (1) have a more comprehensive picture of the auto part products produced and sold by KAE; (2) determine/confirm whether such auto part products are

¹ The productions and sales of auto parts are subject to the TS16949 (now IATF16949) management system, which is characterized by the much higher quality control, and much higher technical and production management requirements.

GUC or Non-GUC; and (3) facilitate the Commission's verification/reconciliation during this inquiry process, including the on-spot verification.

In addition to the auto part products discussed above, KAE hereby would also like to suggest the Commission to regard certain products which have been cut into very short/small pieces as further processed, downstream goods to be Non-GUC. It is not only because cutting them into such small pieces means they contains heavy processing, but, more importantly, product with such small length are usually for electronic products, such as cell phone cases, which, like the auto parts, are subject to much higher quality, technical standards.

The above request of clarification/suggestion is also based on the company's understandings that (1) the rationale given by the first table within section "GOODS SUBJECT TO ANTI-DUMPING MEASURES" is that the more processed, the more likely the products concerned are out of the scope; and (2) in case the downstream and heavily processed products are included, the dumping calculation would be distorted which is against the fair comparison principle;

KAE highly appreciates the Commission kind consideration and the reply to the request/suggest at your earliest convenience.

The above submission does not prejudice any further request, suggestion, submission, comments be given by KAE during the later part of this inquiry, including any other claim the KAE may make with the goal to enhance the proper/fair comparison in dumping calculation.



Liu Jianwei Partner

Zhonglun Law Firm