



ANTI-DUMPING NOTICE NO. 2021/013

**Application for an Accelerated Review No. 576 of
a dumping duty notice and countervailing duty notice**

**Submitted by
Panasia Enterprises (Nanyang) Company Limited
applying to certain aluminium extrusions exported to
Australia from the People's Republic of China**

Customs Act 1901 – Part XVB

5 February 2021

Introduction

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have commenced an accelerated review of the anti-dumping measures applying to certain aluminium extrusions exported to Australia from the People's Republic of China, in so far as they relate to a new exporter, Panasia Enterprises (Nanyang) Company Limited (Panasia Nanyang or 'the applicant').

The lodgement date of 12 January 2021 is the commencement date of the accelerated review.¹

The goods

The goods subject to anti-dumping measures (the goods), in the form of a dumping duty notice and a countervailing duty notice (the notices), are outlined in the table below.

¹ Section 269ZF(2) states that an application for accelerated review is taken to have been lodged when the application is first received by a Commission staff member doing duty in relation to applications for accelerated reviews. Section 269ZF(3) states that the day on which an application is taken to be lodged must be recorded on the application.

Full description of the goods the subject of the application

Aluminium extrusions that:

- are produced by an extrusion process;
- are 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);
- have finishes being:
 - as extruded (mill);
 - mechanically worked;
 - anodized; or
 - painted or otherwise coated, whether or not worked;
- have a wall thickness or diameter greater than 0.5 mm;
- have a maximum weight per metre of 27 kilograms; and
- have a profile or cross-section fitting within a circle having a diameter of 421 mm.

Further information

The goods under consideration 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 under consideration do not extend to intermediate or finished product 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.

Further details on the goods and existing measures is available on the Dumping Commodity Register on the Anti-Dumping Commission's website (www.adcommission.gov.au).

Accelerated reviews

The legislative framework that underpins the making of, and my consideration of, an application for accelerated review of dumping duty and countervailing duty notices is contained in Divisions 1 and 6 of Part XVB of the *Customs Act 1901*.²

If I do not reject an application or terminate an accelerated review, pursuant to sections 269ZG(1) and (2) I must, no later than 100 days after the application is lodged, provide the Minister for Industry, Science and Technology a report recommending:

- (a) that the dumping duty notice and countervailing duty notice the subject of the application remain unaltered; or
- (b) that the dumping duty notice and countervailing duty notice the subject of the application be altered so as to apply to the applicant as if different variable factors had been fixed;

and set out my reasons for so recommending.

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

In relation to this application, this recommendation must be made no later than **22 April 2021**.

There is no legislative requirement to maintain a public file for accelerated reviews. However, in the interests of transparency, a public record will be maintained. This notice, along with a non-confidential version of the application, response to the exporter questionnaire and any non-confidential submissions that are received, will be published on the public record, available at www.adcommission.gov.au.

Submissions

Written submissions concerning this accelerated review must be lodged by **10 March 2021** via email to investigations2@adcommission.gov.au.

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 "**OFFICIAL: Sensitive**" on each page. A non-confidential version, or a summary, of the submission must also be lodged, clearly marked "**PUBLIC RECORD**" on each page.

Circumstances in which an accelerated review may be sought

Section 269ZE sets out the circumstances in which an accelerated review may be sought. If the circumstances of section 269ZE(2) are met, I may reject the application.

| Requirement | Assessment |
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| Applicant meets the definition of new exporter ³ (section 269ZE(1)) To fall within the definition of a new exporter, the period within which the applicant must not have exported the goods to Australia is 1 July 2008 to 30 June 2009 (the investigation period for the original investigation). | Panasia Nanyang commenced operation in early 2020 and only commenced exporting the subject goods to Australia in July 2020. Therefore Panasia Nanyang did not export aluminium extrusions to Australia during the original investigation period. Accordingly, I consider that the applicant should be considered a new exporter for the purposes of the accelerated review. |

³ A new exporter is defined in section 269T(1) as, in relation to the goods the subject of the application for a dumping or countervailing duty notice or like goods, an exporter who did not export such goods to Australia at any time during the investigation period in relation to the application. Section 269T(1) also defines 'application' in relation to a dumping duty notice or a countervailing duty notice as meaning an application for the publication of such a notice.

| Requirement | Assessment |
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| Declaration has not already been made in respect of the applicant under section 269ZG(3)(b) (section 269ZE(1)) | No such declaration has been made. |
| The applicant did not refuse to cooperate, in relation to the application for publication of the notices (section 269ZE(2)(a)) | There is no evidence of exports by the applicant during the investigation period for the original investigation and, therefore, cooperation was not sought from the applicant during the original investigation as the applicant would not have been identified as an exporter. Accordingly, the applicant did not refuse to cooperate with the original investigation. |
| <p>The applicant is not related to an exporter whose exports were examined in relation to the application for publication of the notices (section 269ZE(2)(b))</p> <p><i>Section 269ZE(4) provides that, for the purposes of section 269ZE, an exporter is taken to be related to another exporter if the two exporters are associates of one another under section 269TAA(4).</i></p> | <p>Panasia Nanyang confirms it is related to Panasialum Holdings Company Limited (Panasia Group) and therefore a related party to Panasia Aluminium (China) Limited (Panasia China), a Chinese producer and exporter of aluminium extrusions located in Guangdong Province, and which was originally investigated.</p> <p>The applicant submits that, the Guangdong Provincial Government announced a major re-zoning of industrial land to be redeveloped into residential housing. Panasia China's manufacturing facility was located within this area and consequently this re-zoning of land resulted in Panasia China's manufacturing facility closing down and the establishment of a new manufacturing facility and legal entity, Panasia Nanyang (the applicant) located in the Henan Province.</p> <p>The applicant submits that the transition from Panasia China to the applicant involved transferring manufacturing equipment, materials, etc. from Guangdong to the applicant's new facility in Henan.</p> |

For the reasons set out above, I consider that:

- the application complies with section 269ZE(1); and
- there are no grounds to reject the application under section 269ZE(2)(a).

As the circumstance set out under section 269ZE(2)(b) has been met, I may reject the application. However, due to the unique circumstances set out above, in which it appears that the Panasia Group was required to restructure its manufacturing operations, I have decided to not reject the application.

Application for accelerated review – compliance with section 269ZF

Section 269ZF(1) requires that an application for accelerated review must:

- be in writing and be lodged in a manner approved under section 269SMS (section 269ZF(1));
- contain a description of the goods to which the dumping duty notice and the countervailing duty notice relates (section 269ZF(1)(a)); and
- contain a statement of the basis on which the exporter considers that the particular notice is inappropriate so far as the exporter is concerned (section 269ZF(1)(b)).

| Requirement | Assessment |
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| Lodged with the Commissioner in writing and in a manner approved under section 269SMS | The application was in writing and lodged in a manner approved in an instrument made under section 269SMS, being by email to the Commission’s nominated email address. |
| Contains a description of the goods to which the dumping duty notice and countervailing duty notice relates | The application contained a description of the goods to which the dumping duty notice and countervailing duty notice relates. |
| Contains a statement of the basis on which the applicant considers that the particular notice is inappropriate in so far as the exporter is concerned | <p>The application included a statement from the applicant as to the grounds on which it deems the notices inappropriate so far as it is concerned as follows:</p> <p>Panasia Nanyang is currently subject to the ‘all other rate’ of dumping and countervailing duty’.</p> <p>As Panasia Nanyang did not export the goods to Australia during the original investigation period or the REP 543 review period it considers that the current and proposed interim dumping and countervailing duties are inappropriate. Panasia Nanyang requests the determination of ascertained variable factors based on its own domestic sales, costs and other relevant financial information.</p> <p>In REP 543, the Commission determined a benchmark price for primary aluminium by reference to the published LME monthly cash price. The LME index shows a 5% decline in the average price of LME primary aluminium during the REP 543 review period and the proposed Review 576 review period. This change in price further supports Panasia Nanyang’s view that the ascertained variable factors determined in REP 543 are no longer relevant.</p> |

| Requirement | Assessment |
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| | <p>Panasia Nanyang also submits several reasons why it should not be subject to any countervailing duties including that it:</p> <ul style="list-style-type: none"> • has relocated to a new province (Henan) not subject to any grant programs; • is not classified as a hi-tech enterprise; • has not received benefits from grants that are export specific; and • has not yet finalised its first tax return and therefore not subject to any tax programs. |

Based on the information submitted by the applicant, I consider that the application complies with section 269ZF(1).

Conclusion

I am satisfied that, on the basis of currently available information in the application that:

- the circumstances in which an accelerated review can be sought under section 269ZE(1) have been satisfied;
- there are no grounds to reject the application under section 269ZE(2)(a);
- the condition for rejection under section 269ZE(2)(b) is satisfied, however due to the unique circumstances of this case I will not exercise my discretion to reject the application; and
- the application satisfies the requirements of section 269ZF.

In view of the above, I have decided that the application should not be rejected. My decision has been made on the basis of all currently available information. If, during the accelerated review, evidence becomes available that satisfies me that the requirements of section 269ZE(3) are met, I may reject the application or terminate the accelerated review.

The review period for the accelerated review is set as 1 January 2020 to 31 December 2020.

Securities

When an application for an accelerated review of a dumping duty notice or countervailing duty notice is lodged, section 269ZH(a) provides that no interim duty can be collected from the applicant in respect of consignments of goods, to which the application relates, entered for home consumption after the application is lodged and until the completion of the review.

However, pursuant to section 269ZH(b), the Commonwealth may require and take securities under section 42 in respect of interim dumping duty and interim

countervailing duty that may be payable on importation of the goods to which the application relates.

I declare that the Commonwealth will require and take securities, as shown in **Confidential Table 1**, under section 42 from 12 January 2021 in respect of interim dumping duty and interim countervailing duty that may be payable on the importation of the goods to which the application under section 269ZE(1) relates.

The interim dumping duty that has been determined is an amount that has been worked out in accordance with the combination duty method pursuant to section 5(2) of the *Customs Tariff (Anti-Dumping) Regulation 2013*.

The interim countervailing duty that has been determined is an amount that has been ascertained as a proportion of the export price of the goods pursuant to section 10(3B)(a) of the *Customs Tariff (Anti-Dumping) Act 1975*.

Contact

Enquiries about this notice may be directed to the Case Manager by phone on (03) 8539 2470 or email to investigations2@adcommission.gov.au.

Dale Seymour
Commissioner of the Anti-Dumping Commission

Appendices and attachments

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| Confidential Table 1 | Ascertained variable factors and rates of duty for the collection of securities |
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