



## Attachment 1: REVIEW OF MEASURES APPLICATION CONSIDERATION ASSESSMENT

(section 269ZB and section 269ZC of the *Customs Act 1901*<sup>1</sup>)

Case number: 609 Case type: Review of measures  
 Applicant: Capral Limited (Capral)  
 Goods: Aluminium extrusions  
 Proposed review period: 1 July 2021 to 30 June 2022 Coverage of review: All exporters

Country subject of application for Division 5 review: China

### Part A: Assessment of the requirements of section 269ZA(2) and section 269ZB(1)

#### Anti-Dumping Commission (commission) assessment:

The application satisfies the requirements of sections 269ZA(2) and 269ZB(1)

1. Requirements under section 269ZA(2)	Assessment of whether the application meets requirements	
<p>An application for review of anti-dumping measures must not be made:</p> <p>(a) if the measures involve the publication of a dumping duty notice or a countervailing duty notice – earlier than 12 months after:</p> <p>(i) the publication of the notice, or</p> <p>(ii) the publication of a notice declaring the outcome of the last Division 5 review of the notice.</p>	<p>Capral submitted its application on 29 June 2022. This is more than 12 months from the date of publication of a notice declaring the outcome of the last Division 5 review, <i>Review No 497</i>, which the commission published on 16 December 2019. See Anti-Dumping Notice (<b>ADN</b>) 2019/143.<sup>2</sup></p>	Satisfied
2. Requirements under section 269ZA(4)	Assessment of whether the application meets requirements	
<p>If, as a result of a person's application under Division 6 for accelerated review of a dumping duty notice or a countervailing duty notice, the Minister has made a declaration under section 269ZG(3):</p> <p>(a) that person may not make an application for a review of that notice earlier than 12 months after the making of that declaration.</p>	<p>The Minister has not made a decision under section 269ZG(3) as a result of an application by Capral for a Division 6 accelerated review within the 12 month period preceding this application for a Division 5 review of measures.</p>	Satisfied

<sup>1</sup> All legislative references in this assessment are to the *Customs Act 1901* unless otherwise specified.

<sup>2</sup> Appendix B sets out current anti-dumping measures.

3. Requirements under section 269ZB(1) An application must:	Assessment of whether the application meets requirements	
(a) be in writing	The application is in writing. The non-confidential version of the application is on the electronic public record (EPR) on the commission's website at <a href="http://www.adcommission.gov.au">www.adcommission.gov.au</a>	Satisfied
(b) be in a form approved by the Commissioner	The application is in the approved form (Form B602 – <i>Application for a review of measures</i> ).	Satisfied
(c) contain such information as the form requires	The application contains such information as the form requires. It includes: <ul style="list-style-type: none"> <li>• a completed declaration</li> <li>• answers to all questions that were required to be answered by the applicant, and</li> <li>• sufficient detail in the non-confidential version of the application to enable a reasonable understanding of the substance of the information submitted in confidence.</li> </ul>	Satisfied
(d) be signed in a manner indicated by the form, and	The applicant signed the application in the manner required by the form.	Satisfied
(e) be lodged in a manner approved under section 269SMS	The application was lodged in accordance with section 269SMS, being by email to the commission's nominated email address.	Satisfied

### Part B: Assessment of the requirements of section 269ZB(2) and section 269ZB(1)(c)

#### Commission's assessment:

The application satisfies the requirements of sections 269ZB(2) and 269ZB(1)(c)

1. Requirements under section 269ZB(2) An application must include:	Assessment of whether the application includes information	
(a) a description of the kind of goods to which the measures the subject of the application relate	The application included a description of the goods to which the measures the subject of the application relate. <sup>3</sup>	Satisfied
(b) a description of the measures the subject of the application	The application included a description of the current measures as ascertained in the last Division 6A continuation of measures from <i>Continuation Inquiry No 543</i> , published in ADN 2020/103.	Satisfied

<sup>3</sup> Appendix A provides further details.

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<p>(c) if the application is based on a change in variable factors – a statement of the opinion of the applicant concerning:</p> <p>(i) the variable factors relevant to the taking of the measures that have changed</p> <p>(ii) the amount by which each such factor has changed, and</p> <p>(iii) the information that establishes that amount</p>	<p>The application included statements of opinion relevant to the following variable factors that have changed:</p> <ul style="list-style-type: none"> <li>• export price</li> <li>• normal value.</li> </ul> <p>The commission notes that on page 2 of the application, Capral also selected subsidy as a variable factor that has changed.</p> <p>Please refer to Part C below for further assessment.</p>	<p>Satisfied</p>
<p>(d) if the application is based on circumstances that in the applicant’s view indicate that the anti-dumping measures are no longer warranted – evidence, in accordance with the form, of the circumstances.</p>	<p>Not applicable.</p> <p>The applicant has not requested the commission consider revoking the measures.</p>	<p>Satisfied</p>
<p><b>2. The application contains such information as the form requires (section 269ZB(1)(c))</b></p>	<p><b>Assessment of whether the application contains information</b></p>	
<p>(a) Name other parties supporting this application.</p>	<p>The applicant names several other Australian industry manufacturers that support the application. The applicant also provided contact information and letters of support for these parties.</p>	<p>Satisfied</p>
<p>(b) Describe your interest as an affected party</p>	<p>The applicant stated it is a member of the Australian industry producing like goods.</p>	<p>Satisfied</p>
<p>(c) Provide details of the current anti-dumping measures (<i>aligns with section 269ZB(2)(b)</i>)</p>	<p>The application included a description of the current measures as ascertained in the last Division 6A continuation of measures from <i>Continuation Inquiry No 543</i>, published in ADN 2020/103.</p>	<p>Satisfied</p>

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<p>(d) If you are an exporter of the goods the subject of this application:</p> <ul style="list-style-type: none"> <li>• Have you exported the goods to Australia during the review period? If yes, what was the total quantity and total value of the goods exported to Australia during the review period?</li> <li>• Have you previously (prior to the review period) exported the goods to Australia? If yes, provide the total quantity and total value of the goods exported to Australia each year during the three years prior to the review period.</li> <li>• Have you exported like goods to countries other than Australia during the review period? If yes, provide the total quantity and total value of exports of the goods to each other country during the review period.</li> </ul>	<p>Not applicable. The applicant is a member of Australian industry.</p>	<p>Satisfied</p>
<p>(e) Provide the names, addresses, telephone numbers, fax numbers of other parties likely to have an interest in this matter.</p>	<p>The application contained the contact details of exporters and importers which it considers are likely to have an interest in this matter.</p>	<p>Satisfied</p>
<p>(f) Public record and confidential versions are marked clearly.</p>	<p>The application contained clearly marked public record and confidential versions of the application.</p>	<p>Satisfied</p>
<p>(g) Provide a statement of opinion of the causes of the change in variable factors and whether these causes are likely to persist.</p>	<p>The application contained a statement of opinion of the causes of the change in normal value and export price. Please refer to Part C below for further assessment.</p>	<p>Satisfied</p>

## Part C: Assessment of the applicant's statement of opinion and information under section 269ZB(2)(c)

**Commission's assessment:** The application meets the requirements of section 269ZB(2)(c)

### Variable factors that the applicant claims have changed

Normal Value       Export Price       Non Injurious Price       Countervailable subsidy

Variable Factor	Has the applicant provided a statement of its opinion of the amount by which the variable factor has changed?	Has the applicant provided the information that establishes the amount by which the variable factor has changed?
Normal Value	Capral claimed the normal value has changed since it was last ascertained by the Minister. Capral's opinion is that the normal value has changed by 30% to 40%.	<p>Capral claimed that the main driver for the change in aluminium extrusion prices is the sustained increase in aluminium prices and associated delivery costs as published on the London Metals Exchange (LME) and Shanghai Futures Exchange (SHFE).</p> <p>Capral estimates that the LME and SHFE cost for raw material aluminium has increased by 60% since the last review of variable factors as part of <i>Continuation Inquiry No 543</i>.</p> <p>Capral estimates that the increase in aluminium costs for extrusion manufacturers in China will translate to an increase in the normal value for Chinese exporters of 30% to 40%.</p> <p>In support of this claim, Capral provided confidential and non-confidential evidence of the increase in LME and SHFE aluminium prices.</p>
Export Price	Capral claimed the export price has changed since it was last ascertained by the Minister. Capral's opinion is that the export price has changed by 30% to 40%.	In addition to the above, Capral provided evidence that the FOB price of certain aluminium extrusions from China has increased at the same time as the increase in the LME and SHFE aluminium price.
NIP	Capral did not claim that the non-injurious price (NIP) had changed.	N/A
Amount of countervailable subsidy received	Capral did not provide its opinion of the amount of which countervailable subsidy received has changed.	<p>Capral did not provide information that establishes the amount by which the amount of countervailable subsidy received has changed.</p> <p>The commission considers that Capral's estimated changes to the normal value and export price would have an effect on the subsidy margin.</p>

## Part D: Assessment of the requirements of section 269ZC

**Recommendation:** The Commissioner be satisfied of the matters in section 269ZC(2)

1. Requirements under section 269ZC(2)(a)	Assessment of whether the application meets requirements	
Does the application comply with section 269ZB?	Please refer to Parts A, B and C above for assessment of the application against section 269ZB.	Satisfied

2. Requirements under section 269ZC(2)(b)(i)	Assessment of grounds for assertion	
Do there appear to be reasonable grounds for asserting that the variable factors relevant to the taking of the anti-dumping measures have changed?	<p>There appear to be reasonable grounds for asserting that the normal value and export price relevant to the taking of the anti-dumping measures has changed.</p> <p>Capral claimed that the amount of countervailable subsidy received had also changed, but did not provide a statement of opinion concerning the amount by which it had changed or information that establishes that amount.</p> <p>The commission discusses this assessment in detail below.</p>	Satisfied
<input checked="" type="checkbox"/> Normal Value <input checked="" type="checkbox"/> Export Price <input checked="" type="checkbox"/> Non Injurious Price <input checked="" type="checkbox"/> Countervailable subsidy		
Normal Value	<p>The Commissioner is satisfied there appear to be reasonable grounds that the normal value has changed.</p> <p>The commission has analysed the confidential data provided by Capral in its application on raw material price movements between the end of <i>Continuation Inquiry No 543</i> and May 2022 (see <b>Confidential Attachment 1</b>). The analysis indicates raw material prices have increased since <i>Continuation Inquiry No 543</i>.</p> <p>The commission considers that a change in raw material prices will likely result in a change to the normal value.</p>	
Export Price	<p>The Commissioner is satisfied there appears to be reasonable grounds for asserting that the export price has changed.</p> <p>The commission has examined the confidential information provided by Capral as well as information obtained from the Australian Border Force import database relating to the export price of the goods exported to Australia from China. The analysis indicates that the FOB price of aluminium extrusions from China has increased since <i>Continuation Inquiry No 543</i> (see <b>Confidential Attachment 1</b>).</p>	
NIP	<p>The Commissioner is satisfied there appears to be reasonable grounds for asserting that the NIP has changed.</p> <p>In considering whether there are reasonable grounds for asserting that the variable factors have changed under section 269ZC(2)(b)(i), the Commissioner has regard to the application and to any other information the Commissioner considers relevant.</p> <p>The Commissioner last ascertained the NIP in <i>Continuation Inquiry No 543</i>. In that inquiry, the Commissioner established a NIP by reference to Capral's CTMS, plus an amount for profit, with deductions for into store costs incurred by importers.</p> <p>The application contained no statement of the opinion of Capral concerning the NIP. However, Capral included in its application its CTMS over the last 5 years. This information shows that Capral's CTMS has fluctuated since <i>Continuation Inquiry No 543</i>. Capral's CTMS is now at a higher level than when last ascertained (see <b>Confidential Attachment 1</b>).</p> <p>Using the information provided by Capral and applying the method used previously to establish the NIP would result in a change to the NIP.</p>	

Amount of countervailable subsidy received	<p>The Commissioner is satisfied that there appears to be reasonable grounds for asserting that the amount of subsidy received has changed.</p> <p>In considering whether there are reasonable grounds for asserting that the variable factors have changed under section 269ZC(2)(b)(i), the Commissioner has regard to the application and to any other information the Commissioner considers relevant.</p> <p>The application contained no information from Capral for how the amount of countervailable subsidy received had changed.</p> <p>The commission considers that, for aluminium extrusions exported from China, the subsidy margin is influenced by the normal value and export price of the goods. As Capral provided information which shows that the export price and normal value may have changed, it is reasonable to conclude that the amount of subsidy received has also changed.</p>
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<b>3. Requirements under section 269ZC(2)(b)(ii)</b>	<b>Assessment of grounds for assertion</b>
Does there appear to be reasonable grounds for asserting that the anti-dumping measures are no longer warranted?	Not applicable.

<b>Part E: Other matters</b>	
Not applicable.	

<b>Part F: Appendices and attachments</b>	
Confidential Attachment 1	Variable Factor Analysis

## Appendix A – Goods description

The goods subject to this review 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. 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 do not extend to 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 table below provides guidance to assist the categorisation of aluminium extrusions into the types covered by interim duties (goods under consideration or GUC) and those that are not covered (non-GUC).

< GUC >				< Non-GUC >		
1	2	3	4	5	6	7
Aluminium extrusions	Aluminium extrusions with minor working	Aluminium extrusions that are parts intended for use in intermediate or finished products	Aluminium extrusions that are themselves finished products	Unassembled products containing aluminium extrusions, e.g., 'kits' that at time of import comprise all necessary parts to assemble finished goods	Intermediate or partly assembled products containing aluminium extrusions	Fully assembled finished products containing aluminium extrusions
< Examples >						
Mill finish, painted, powder coated, anodised, or otherwise coated aluminium extrusions	Precision cut, machined, punched or drilled aluminium extrusions	Aluminium extrusions designed for use in a door or window	Carpet liner, fence posts, heat sinks	Shower frame kits, window kits, unassembled unitised curtain walls	Unglazed window or door frames	Windows, doors

The goods are generally, but not exclusively, classified to the following tariff subheadings of Schedule 3 to the *Customs Tariff Act 1995* (Cth):<sup>4</sup>

Tariff Subheading	Statistical Code	Description
7604.10.00	06	non alloyed aluminium bars, rods and profiles
7604.21.00	07	aluminium alloy hollow angles and other shapes
7604.21.00	08	aluminium alloy hollow profiles
7604.29.00	09	aluminium alloy non hollow angles and other shapes
7604.29.00	10	aluminium alloy non hollow profiles

<sup>4</sup> These tariff classifications and statistical codes may include goods that are both subject and not subject to the anti-dumping measures. The listing of these tariff classifications and statistical codes is for convenience and reference only and does not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods subject to the anti-dumping measures.



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<b>Tariff Subheading</b>	<b>Statistical Code</b>	<b>Description</b>
7608.10.00	09	non alloyed aluminium tubes and pipes
7608.20.00	10	aluminium alloy tubes and pipes
7610.10.00	12	doors, windows and their frames and thresholds for doors
7610.90.00	13	other

## Appendix B – Current measures

Further details of the current measures on exports of the goods are available in the Dumping Commodity Register and the EPR. Below is a summary of the current measures.

Exporter	Measure	Effective Rate of Duty	Ascertained Export Price	Export Terms
<u>Guangdong Jiangsheng Aluminium Co Ltd</u> (formerly known as) <u>Tai Ao Aluminium Tai Shan Co Ltd</u> Supplied directly		Exempt		
<u>Guangdong Jiangsheng Aluminium Co Ltd</u> (formerly known as) <u>Tai Ao Aluminium Tai Shan Co Ltd</u> Supplied through: <u>Phoenix Endeavour Ltd;</u> <u>HDLS (HK) Ltd;</u> <u>Xiamen Juncheng Trade Co. Ltd;</u> or <u>Guangzhou Yuexin Mechanical &amp; Electrical Equipment Co. Ltd;</u>		Exempt		
<u>Guangdong Zhongya Aluminium Company Ltd</u> Supplied directly		Exempt		
<u>Guangdong Zhongya Aluminium Company Ltd</u> Supplied through: <u>Zhongya Shaped Aluminium HK Holding Ltd;</u> or <u>Alexander Steel Fabrication Limited</u>		Exempt		

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<b>Exporter</b>	<b>Measure</b>	<b>Effective Rate of Duty</b>	<b>Ascertained Export Price</b>	<b>Export Terms</b>
<u>Guangdong Jinxi Cheng Al Manufacturing Co Ltd</u>	IDD <sup>5</sup> (Floor Price) & ICD <sup>6</sup>	N/A	Confidential	FOB, cash
<u>Goomax Metal Co. Ltd Fujian</u>	IDD (Floor Price) & ICD	1.0%	Confidential	FOB, cash
<u>Tai Shan City Kam Kiu Aluminium Extrusion Co Ltd</u> Supplied directly or through: <u>Kam Kiu Aluminium Products Sdn Bhd; or</u> <u>Kam Kiu (Hong Kong) Limited</u>	IDD & ICD	25.6%	Confidential	FOB, cash
<u>PanAsia Aluminium (China) Limited</u> Supplied directly or through: <u>PanAsia Aluminium (Macao Commercial Offshore) Ltd; or</u> <u>Opal Macao Commercial Offshore Limited</u>	IDD & ICD	70.3%	Confidential	FOB, cash
<u>Foshan City Sanshui Yongya Aluminium Co., Ltd</u> Supplied directly or through <u>Foshan Xing Yi Import and Export Co. Ltd</u> <u>Xiamen Yonglong Xiang Trade Co., Ltd</u> <u>Foshan Everbright Import &amp; Export Co Ltd</u>	IDD (Floor Price) & ICD	N/A	Confidential	EXW, cash
<u>Panasia Enterprises (Nanyang) Company Limited</u> Supplied through <u>Panasia Aluminium (Hong Kong) Limited</u>	IDD & ICD	60.5%	Confidential	FOB, cash
<u>Dashiqiao Hengyuan Aluminum Products Co., Ltd</u>	DSA & CSA <sup>7</sup>	77.4%	Confidential	FOB, cash
<u>Qingyuan City Huanan Copper &amp; Aluminum Co Ltd</u> direct or supplied through <u>Foshan Xing Yi Import &amp; Export Co., LTD</u> <u>Ansun Trading Pty Ltd</u>	IDD (Floor Price) & ICD	1.7%	Confidential	EXW, cash
<u>Residual exporters</u> See Q&A item 8 for list of exporters and suppliers	IDD & ICD	11.5 %	Confidential	FOB, cash
<u>All other Exporters</u>	IDD & ICD	77.4%	Confidential	FOB, cash

<sup>5</sup> Interim dumping duty.

<sup>6</sup> Interim countervailing duty.

<sup>7</sup> Dumping and countervailing securities are currently being taken for this exporter while Accelerated Review No 607 continues.

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