



Customs Act 1901 – Part XVB

ANTI-DUMPING NOTICE NO. 2019/46

PVC FLAT ELECTRIC CABLE EXPORTED TO AUSTRALIA FROM THE PEOPLE'S REPUBLIC OF CHINA

Termination of part of Investigation

Public notice under subsection 269TDA(15) of the Customs Act 1901

On 4 June 2018, I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, initiated an investigation into the alleged dumping and subsidisation of certain polyvinyl chloride (PVC) flat electrical cables (the goods) exported to Australia from the People's Republic of China (China), following an application lodged by Prysmian Australia Pty Ltd (Prysmian) under subsection 269TB(1) of the *Customs Act 1901* (the Act).¹

Public notice of my decision to not reject the application and to initiate the investigation was published on the Anti-Dumping Commission (Commission) website on 4 June 2018. The Anti-Dumping Notice (ADN) is available at www.adcommission.gov.au.

The Goods

The goods the subject of the investigation are:

Flat, electric cables, comprising two copper conductor cores and an 'earth' (copper) core with a nominal conductor cross sectional area of between, and including, 2.5 mm² and 3 mm², insulated and sheathed with polyvinyl chloride (PVC) materials, and suitable for connection to mains electricity power installations at voltages exceeding 80 volts (V) but not exceeding 1,000 V, and complying with Australian/New Zealand Standard (AS/NZS) AS/NZS 5000.2 (the Australian Standard), and whether or not fitted with connectors.

Assessment of Countervailable Subsidies Received

In its application, Prysmian alleged that Chinese exporters of PVC flat electrical cables benefited from 39 countervailable subsidies. These alleged subsidies related to programs for the provision of copper at less than adequate remuneration (LTAR), grants, value-added tax (VAT) exemptions, preferential taxation schemes, equity programs and preferential loan schemes.

To examine these programs the Commission included questions relating to each program in a questionnaire which was forwarded to the Government of China (GOC). The GOC has not provided a response to the subsidy questionnaire. The Commission's assessment of the identified subsidy programs is therefore based on the information provided by cooperating exporters and the Commission's verification findings.

¹ All legislative references are to the *Customs Act 1901*, unless otherwise specified.

PUBLIC RECORD

Following initiation of the investigation, Guilin International Wire & Cable Co., Ltd (Guilin) provided a completed response to the Commission's exporter questionnaire. The Commission tested the data provided by Guilin for accuracy, relevance and reliability by performing an onsite verification, as outlined in the report published on the public record.²

The Commission's analysis of the identified programs was set out in *Statement of Essential Facts No. 469* (SEF 469), at Attachment 5.³ No submissions in response to SEF 469 have questioned those findings, and I have therefore relied on that analysis for the purpose of my termination decision.

Countervailing margin

The Commission has established that Guilin received a benefit under program 5 (*Preferential Tax Policies for High and New Technology Enterprises*) during the investigation period. Guilin provided the Commission with relevant documents supporting the calculation of the benefit received in relation to this reduced tax rate.

Guilin provided the Commission a list of grants it received in terms of government benefits under the assistance programs specified in the exporter questionnaire. The Commission verified the grants received during the investigation period by reconciling the grant amounts to Guilin's non-operating income ledger.

The Commission has established that, based on its analysis of Guilin's copper purchases, Guilin did not receive any benefit under program 1 (the provision of copper at LTAR).

For the programs which the Commission found that a benefit was conferred to Guilin, the subsidy margin was calculated by establishing the amount of countervailable subsidy received, which resulted from financial contributions to the exporter that conferred a benefit (per sections 269TACC and 269TACD), expressed as a proportion of the export price.

The Commission has calculated the countervailing margin for Guilin as **0.7 per cent**.

Further details regarding the calculations can be found in the relevant attachments to the visit report for Guilin and SEF 469.

Decision

In relation to goods exported from China, countervailable subsidisation is negligible if, when expressed as a percentage of the export price of the goods, that subsidisation is not more than 2 per cent.⁴ Subsection 269TDA(2) requires that I must terminate a countervailing investigation in relation to an exporter if countervailable subsidisation for that exporter is determined to be negligible.

As a result of the Commission's investigation, I am satisfied that, in relation to Guilin, the goods exported by this exporter have been subsidised by a negligible margin. I therefore terminate the investigation in accordance with subsection 269TDA(2) of the Act so far as it relates to countervailable subsidies received by Guilin. In terminating part of the investigation, I have considered the application, submissions from interested parties in response to the initiation of the investigation, the data provided by Guilin in its exporter questionnaire response, the verification report for Guilin, and SEF 469.

² [Document 019](#) on the electronic public record (EPR) refers.

³ [Document 025](#) on the EPR refers.

⁴ China is a "Developing Country" under the terms of the *Customs Tariff Act 1995*. Subsection 269TDA(16) refers.

PUBLIC RECORD

Subsection 269TDA(15) requires that in circumstances where I terminate an investigation so far as it relates to a particular exporter, I must, amongst other requirements, give public notice of that decision. This ADN is considered to be public notice as per subsection 269TDA(15).

Next Steps

The investigation into the alleged dumping and subsidisation of the goods from China will otherwise continue. I am due to provide my report to the Minister for Industry, Science and Technology in respect of this investigation by 8 April 2019.

The applicant may request a review of the decision to terminate the countervailing investigation in respect of Guilin by lodging an application with the Anti-Dumping Review Panel in the approved form and manner within 30 days of the publication of this notice.

Enquiries about this notice may be directed to the case manager on telephone number (03) 8539 2438 or email at investigations1@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

8 April 2019