

Non-Confidential comment 18th November 2021

Dear AD0012,

I have been awaiting the publishing of the primary petitioners' questionnaires to be able to understand their complaints better. I understand you are currently experiencing technical issues that inhibit the publication of their non-confidential questionnaire responses.

In numbers of the petitioners' questionnaires non-confidential responses, that are on public record, I find some of the obtuse constructed comments difficult to understand in their abject simplicity and they are also misleading or out-rightly wrong. I cannot see how any of the petitioners have demonstrated injury; what I can see is they want to remove competition that would be damaging to UK PLC's aluminium users ability to compete both domestically and internationally in their upstream businesses.

For example, Garner report their interest in the case as:

Our interest in the case is to stop the Chinese market flooding the UK with goods that cannot be produced at this price within the UK, making it difficult for UK producers to compete. Prices quoted by Chinese companies are lower than LME raw material costs.

3o Limited import materials from China and we've never imported materials at a lower cost than LME raw materials. None of the Chinese companies we buy from have ever offered or sold extrusions to 3o that are lower than LME raw material costs. We have demonstrated this within our questionnaire answers.

Exlabessa state in their questionnaire:

As a producer of aluminium extrusions, we believe that our ability to grow our market share has been negatively impacted by the level of Chinese imports.

AD0012 is about anti-dumping and not about the level of imports from China or indeed any other country. Every competitor or importer negatively impacts Exlabessa's ability to grow their share. The clarity of Exlabessa's concern is about competition, which is in the nature of any business enterprise.

Aluminium Shapes state in their questionnaire their interest in differing price structures that appear available to Chinese sources, particularly with processes that include anodising, painting and machining. It is my understanding that Aluminium Shapes don't have any in-house capability to produce billet, anodising or painting. Their fundamental lack of in-house, in-line processing capability substantially undermines their propensity to compete with those entities who have in-house and in-line processes. They go on to state that the processes are the same in UK and in China and therefore they can't understand why there would be different costs between UK and Chinese manufacture. Their belief that these processing costs should be the same in China as UK is absolutely ludicrous. More so they believe that the commodity component of cost of the ingot is a traded commodity and should seemingly be the same. Again, this is not true and clearly is further demonstration of their fundamental lack of understanding for how there are even basic differences between net and gross terms quoted between the exchanges. I'm sure that there are many consulting companies that would be happy to explain the differences in manufacturing process input costs between UK and China and the terms of difference between quoted index values. For the differences in prices between the various ingot indexes in UK and China there are many further reasons why there are differences. Through the damage period and the POI there are numerous times when there are significant differences in the prices traded between the LME and the three

main exchanges that operate in China, as well as significant differences in ingot premiums in the various markets. Anyone that tracks the exchanges would know this. Furthermore, Aluminium Shapes talks about UK capacity diminishing over the last 10 years rather than the POI or period in which damage is said to have been done.

In Hydro's questionnaire they state that dumping in the UK is happening because dumping was found to be happening in the EU and therefore it must be happening in UK; moreover, that subsequent to the EU anti-dumping investigation that Chinese extruders have modified their pricing for imports for products being imported to the UK, whilst at the same time trying to redouble their effort to damage the UK market by supposedly dumping in it. 3o has clearly demonstrated that neither the imports made by 3o during the period of suggested damage or in the POI that importation costs have either been dumped or prices modified through the periods concerned, except for changes in indexed metal commodity prices.

In none of the questionnaire responses is there any quantitative report of either damage done by Chinese imports or that Chinese imports have been dumped and particularly not in the periods of purported damage or POI.

If imports have caused damage to any UK extruder then it would be logical to expect that business had been lost to Chinese imports and there would be knowledge of specific lost customers, in the period of damage and knowledge of exactly what type of products these were during the stated injury period, or the POI.

I would expect all of the extruders to be able to be very clear about the business they have lost, types of extrusion, finishes, applications, etc. Clearly none of the extruders have lost painted products because none of them currently have the in-house facility to paint extrusion.

I believe that there are number of products that are not currently produced by UK extruders, and that these types of product should be excluded from any AD0012 consideration because they have not been produced by the petitioners/ UK extruders and therefore could not be affected. Moreover, it seems that there are numbers of different types of products not produced by UK extruders that are currently grouped within broad stroke categories within the current HS code system and included within the AD0012.

Redacted comment about new product development and how this relates to current HS code classifications.

Cheers,

Managing Director