

May 27, 2004

The Honorable Jame. J. Jochum  
Assistant Secretary for Import Administration  
U.S. Department of Commerce  
Central Records Unit, Room 1870  
Pennsylvania Avenue and 14<sup>th</sup> Street NW  
Washington, DC 20230

**Re: Separate Rates Practice in Antidumping Proceedings  
Involving Non-Market Economy Countries**

Dear Mr. Jochum,

China Chamber of Commerce for Import & Export of Machinery and Electronic Products (CCCME) hereby submits these comments in response to the May 3, 2004 Federal Register notice of request for comment on the change of current separate rates policy and practice ( 69 Fed, Reg. 24119).

CCCME is a non-government, non-profit intermediate organization consisting of nearly 6000 member companies among which many are China's biggest companies. With our experience in responding to anti-dumping investigation initiated by other countries, and in relating to the possible approaches set forth in the Appendix to the above-mentioned notice, we'd like to put our comments on separate rates practice in anti-dumping proceedings as followed:

(1) Section A of the NME questionnaires mainly focus on the five aspects of the respondents, which include as followed: general conditions of the company, production, exportation and pricing, currency exchange, labor and finance. Thus, the questionnaires are already sufficiently detailed to allow the Department to make complete, accurate, and informed determinations regarding exporters' eligibility for

separate rates. Therefore, there's no need for the Department to request further information pertaining to *de jure* control, or lack of control, by the NME entity.

(2) The current examination in verification is already rigorous enough. Sometimes, we received the complaints from our member companies that as the respondents, they had to respond to irrelevant questions forwarded by DOC officials in the verification. So, there's no need for new procedures or approaches.

(3) Since Section A is complete and adequate enough, no extra-established requirements are needed to set by the Department.

(4) The current period for responding to section A is rarely enough. In practice, lots of Chinese respondents have to request extension of the deadline. An earlier deadline could only lead to the inaccuracy and incompleteness of the respondents' answer and the burden on the Department to deal with more extension requests. So, we suggest the Department remain the current deadline for parties filling section A submissions who are requesting only a separate rate unchanged.

(5) The number of section A respondents should not be limited in any way. All of the respondents participating in the investigation shall be treated without any discrimination. Otherwise, that would be unfair for those cooperative firms denied out of section A respondents.

(6) We don't think the Department should eliminate the average rates category. On the contrary, we suggest the Department take into consideration the zero rates in calculating the average rates. Because the zero rates are calculated based on correct and non biased information, such rates reflect real non-dumping situation and should be taken into consideration.

(7) Since we don't agree with the approaches in (5) and (6), the assumption of introduction of a fourth category of rate doesn't exist. We certainly don't suggest a fourth rate category introduced.

(8) In granting separate rate to an exporter, we agree that the rate should only be

granted to the merchandise from producers that supplied the exporter when the rate was granted. In this way, we can prevent the circumvention of anti-dumping duty by other suppliers through the exporter.

(9) We agree that the Department extends its separate-rates analysis to exporter-producer combination. Only both the exporter and producer are out of government control, can the exporter be granted separate rate.

(10) There are no additional views we like to express.

Sincerely yours,

Liu Mei Kun

Vice president, CCCME