

Hong-Ming Tsai
Deputy Secretary General
Chinese National Federation of Industries (Taiwan)
12th Fl., 390 Fu-Hsing S. Rd., Sec. 1
Taipei, Taiwan

RECEIVED

NOV 26 2007

DEPT. OF COMMERCE
ITA
IMPORT ADMINISTRATION

2007/11/22

Mr. David Spooner
Assistant Secretary for Import Administration
U.S. Department of Commerce
Central Records Unit, Room 1870
14th Street & Constitution Avenue, N.W.
Washington, D.C. 20230
U.S.A.

Dear Mr. Spooner,

First of all, thank you for the great opportunity to make comments and suggestions on what guidelines, thresholds, and tests Department of Commerce should use in determining whether targeted dumping is occurring. Chinese National Federation of Industries (Taiwan) is an umbrella industrial federation representing 90,000 manufacturers in Taiwan. According to the understanding of the AD Agreement, Chinese National Federation of Industries would like to offer a number of points on this issue. The comments are attached to this letter.

Thank you again for the opportunity to submit these comments.

Sincerely yours,



Hong-Ming Tsai
Deputy Secretary General

Targeted Dumping in Antidumping Investigations

By Chinese National Federation of Industries (Taiwan)

The AD Agreement recognizes two general methods for calculating the dumping margin: a comparison of a weighted average normal value with a weighted average export price; and a comparison of normal value and export prices on a transaction-to-transaction basis. The AD Agreement does not provide any preference for the one method over the other. It is therefore a matter of national practice, delineated by the rule of "fair comparison". The AD Agreement exceptionally recognizes a third method, a comparison of a weighted average normal value to individual export prices. The AD Agreement restricts the use of this method to very specific circumstances. In particular, investigating authorities must find "a pattern of export prices which differ significantly among different purchasers, regions or time periods" and provide an explanation as to why such differences cannot be "taken into account appropriately" by either one of the two general methods.

Where targeted dumping is occurring, DOC may use the W-T methodology as an alternative method. In order to constitute so-called targeted dumping, DOC shall find that the accused exporter's sale model meets two certain requirements, including the following:

- (a) Sale prices to specific purchasers, regions or time periods are extremely and apparently lower than other general sale prices.
- (b) The total amount of the sale to specific purchasers, regions or time periods is extremely and apparently higher than total amount of other general sale.

However, when the accused exporter's sale model is identical or similar to the U.S. domestic manufacturer's sale model, DOC shall assume that targeted dumping is not involved.

When the W-T methodology is applied, DOC shall demonstrate that the margin of targeted dumping calculated by either one of the two general methods (W-W, T-T) is negative. DOC shall, before a final decision is made, inform all interested parties of the essential facts under consideration which form basis for the decision to use the alternative method. Such disclosure should take place in sufficient time for the parties to defend their interests. In addition, when performing the W-T methodology, it is standard practice to completely compare each individual export price with a weighted average normal value. DOC shall not exclude or ignore any transaction in the calculation.

2007/11/22