



中国机电产品进出口商会

China Chamber of Commerce for Import & Export
of Machinery & Electronic Products

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The Honorable David Spooner
Assistant Secretary for Import Administration
U.S. Department of Commerce
Central Records Unit, Room 1870
Pennsylvania Avenue and 14th Street NW
Washington, DC 20230

April 10, 2007

Re: Comments on Surrogate Country Selection and Separate Rates Methodologies in Antidumping Proceedings Involving Non-Market Economy Countries

Dear Mr. Spooner,

We, China Chamber of Commerce for Import & Export of Machinery and Electronic Products (CCCME), hereby submit these comments (including one original and six copies) on USDOC's notice of Surrogate Country Selection and Separate-Rates Methodologies in Antidumping Proceedings involving Non-Market Economy Countries published on March 21, 2007.

CCCME is a non-government, non-profit intermediate organization consisting of nearly 7000 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 aspects under request for comment in the above-mentioned notice, we'd

like to put our comments as follows:

I Surrogate Country Selection

First, we think it's a pity that USDOC still look China as a NME country in anti-dumping investigations. The normal value based on the data of surrogate country will definitely make the Chinese respondents get higher dumping margin. Now, more than 40 countries have granted China Market Economy Status. And EU also gives some Chinese respondents Market Economy Treatment in individual cases. Nevertheless, accepting the fact that Chinese respondents have no choice for the normal value than the data of surrogate country at present, we still like to say a few words about the methodology of surrogate country selection. We have two suggestions as follows:

1. It's a real complex work to select a proper surrogate country which is economically comparable. Neither per capita GDP nor per capita GNI could give a fair overview of economically comparability. For example, in China, living cost is lower in west part than in the east part. So, the operation cost of enterprises will be different according to their different locations in China. So, the capita GNI could only be a reference. According to the per capita GNI, USDOC can release a list of surrogate countries to a NME country, but it is only reference, and USDOC should require comments on surrogate country for each individual anti-dumping case.

2. More emphasis should be put on the suggestions by interested parties in each case. That is to give more opportunities and longer time for the comments on surrogate country.

II Separate Rates

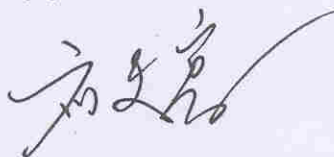
1. The purpose of the revised application process is to reduce the administrative burden on the Department. But because more supporting documents are required, in fact the administrative burden of the Department is not reduced. So, we think it is necessary to improve the revised separate rates application process.

2. The application process is designed on the basis of de facto and de jure

independence from the government. The questions are clearer than that in Section A in the questionnaire in the past. And accordingly, more supporting documents are required. But we think some of them are unnecessary. For example, Customs 7501 Entry Summary and U.S. FDA Release Form should be provided by importer. If the importer make some mistakes in the cooperation, that will affect the exporter.

3. From the results of the separate rates application process, most of the reasons why Chinese respondents were denied are that they couldn't fully submit the documents in time, not that there were evidences showing they are under government control. So, we suggest reducing the burden on respondents by simplifying the requirement for documents in the separate rates application process and making a proper balance between the efficiency and the enforcement of the implementation of separate rates test.

Sincerely yours,

A handwritten signature in black ink, appearing to be '刘梅坤' (Liu Mei Kun), written in a cursive style. The signature is positioned above the printed name and title.

Liu Mei Kun

Vice president, CCCME