



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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Add: 9th Floor, Building 12 Panjiayuan
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Honorable Ronald K. Lorentzen,
Deputy Assistant Secretary for Import Administration,
Room 1870, Department of Commerce,
14th Street and Constitution Ave.,NW.,
Washington, DC 20230.
Email: webmaster-support@ita.doc.gov

April 20, 2010

**Re: Comments on *Retrospective and Prospective Antidumping and
Countervailing Duty Systems***

Dear Deputy Assistant Secretary Lorentzen,

Learning that USDOC requests public comments on *Retrospective and*

Prospective Antidumping and Countervailing Duty Systems, on behalf of CCCME, I would like to state opinion as follows:

Firstly, compared to the prospective system, the retrospective system could remedy injurious dumping or subsidized exports to the United States more precisely. Under the retrospective system, the actual amount of anti-dumping duties to be paid will be established in the course of annual reviews, which is based on the real statistics of sales and production each preceding year. Thus, the real dumping or subsidy margin could be found each year, and the injurious dumping or subsidized exports to the United States could be precisely remedied accordingly. While under the prospective system, the final determination made in the original investigation determine the future collection of anti-dumping duties, normally for the future five years. In fact, the cost of production and export price of subject merchandise may vary with the change of market demand, price of raw materials, exchange rate, etc., which make it unreasonable to apply the duty rates determined in original investigation to the subject merchandise in the following five year period.

Secondly, the retrospective system is more effective in preventing importers from circumvent duties by lowering price. Under the retrospective system, importers would be collected higher duties if the

import price is lowered. While under the prospective system, importers may be collected lower duties by lowering the import price.

Thirdly, compared to the prospective system, the retrospective system causes more risks to importers. Under the retrospective system, the actual amount of anti-dumping duties will be collected one year after the entry of the merchandise, and it happens that the actual duty rates determined in the annual review are much higher than the duty estimated, which may lead to the bankrupt of importers and result in the increasing of uncollected duties by the Customs. With the continuous bond in use, more burdens have been added to importers and the risks on insurance companies are increasing.

Fourthly, compared to the prospective system, the retrospective system create more administrative burden. Under the prospective system, the investigation authority normally only need to determine the duty rates once in the original investigation and it will keep in effect for the future five years following the publication of the final determination. While under the retrospective system, the investigation authority has to determine the rates in the review each year, which must be a big administrative burden.

Generally speaking, the retrospective system create more burden to all parties including the investigation authority, but it is more precise in determining the actual duty rates than the prospective system and can better remedy injurious dumping or subsidized exports to the United States.

Yours sincerely,

CAI Ming

Legal Counsel

China Chamber of Commerce for Import & Export of Machinery &
Electronic Products (“CCCME”)