Dumping Commodity Register

Railway Wheels

Exported from the People's Republic of China and France

| Document release date | Brief description of change(s) |
|-----------------------|---|
| 18 June 2018 | Implementation of Provisional Measures |
| 11 October 2018 | Amendment of Provisional measures following the publication of a SEF. |
| 16 July 2019 | Implementation of measures following completion of case 466. |
| 20 April 2020 | Department Name Change. |

Note:

DCRs notify the outcomes of finalised investigations and should be read in conjunction with any relevant current investigations, such as reviews and inquiries. Please refer to the <u>Cases page</u> on the website to locate any current information for this commodity.

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| Question | Response |
|--|--|
| 1. What countries do | Measures currently apply to goods from the People's Republic of China (China) and France. |
| measures apply to? | On 16 July 2019, with an effective date of 17 July 2019, anti-dumping measures in the form of interim dumping duty (IDD) were imposed on railway wheels exported from China and France. For more information please refer to the Final Report REP 466 and Anti-dumping Notice 2019/30. |
| 2. What types of railway wheels are subject to antidumping measures? | The goods subject to measures include: Forged and rolled steel, high hardness, nominal 38-inch (or 966 mm to 970 mm) diameter, railway wheels, whether or not including alloys. Manufactured in accordance with relevant user defined specifications and drawings, and are used on rail carriages used to transport iron ore. |
| | The following descriptions are <u>excluded</u> from measures, exemption type "GOODS" applies: Axles and other components. |
| | For more information about the description of the goods subject to measures, please refer to REP 466. |
| | Please Note: When importing goods into the country importers are required to self-assess whether the imported goods meet the goods description outlined above and whether anti-dumping measures apply. The Anti-Dumping Commission is not in a position to provide advice on whether certain goods meet the description above. The use of exemption types is subject to monitoring by the Anti-Dumping Commission (the Commission) and Australian Border Force (ABF). |
| 3. How much Interim | IDD – all exporters |
| Dumping Duty (IDD) will an importer have to pay? | IDD is in the form of a fixed and variable measure. The total IDD liability is calculated as follows: fixed component of IDD: dumping export price (DXP) or ascertained export price (AEP), whichever is the greatest, multiplied by the applicable IDD ad valorem duty rate; plus variable component of IDD: the amount, if any, by which the DXP is lower than the AEP. |
| 4. Example of how to | Fixed and variable measures |
| calculate the Dumping Duty (IDD) liability | The following is an example of how to calculate the IDD liability. DXP = AUD \$1,000 (Free-On-Board (FOB), cash) AEP = AUD \$2,000 (FOB, cash) IDD ad valorem rate = 10% |

Example of how to calculate the Dumping Duty (IDD) liability (continued)

IDD liability

Fixed component of IDD:

The higher of the DXP (\$1,000) or AEP (\$2,000) multiplied by the IDD ad valorem rate (10%) $$2,000 \times 10\% = 200

Variable component of IDD:

the amount, if any, by which the DXP (\$1,000) is lower than the AEP (\$2,000) \$2,000 - \$1,000 = \$1,000

Total IDD liability: \$1,200 (\$200 + \$1,000)

5. What is the dumping export price (DXP) and how do I calculate it?

The DXP refers to the actual export price of the exported goods. The DXP should reflect the total export (invoice) price of the goods being entered, not the unit price of the goods.

The DXP should be recorded on the relevant Full Import Declaration for the goods in the same terms as the AEP for the goods. Calculating the DXP may involve adjusting the actual export invoice price of the goods to the terms specified for the AEP.

For example, if the AEP terms are "FOB, cash" and the actual invoice terms of the goods are "CIF, 60 days, packed", the following adjustments will need to be made in order to calculate the DXP at FOB, cash level.

- step 1 an adjustment for interest on credit terms will need to be made; and
- step 2 the overseas freight and insurance components will need to be subtracted from the export invoice price.

Where suitable evidence cannot be proffered by the importer of the interest rate, then 1.0% per month (0.033% per day) should be applied to the actual invoice price credit terms.

An example of adjusting for credit and incoterms is provided below:

- Invoice terms = CIF, 60 days
- Specified terms = FOB, cash
- Export price invoice amount = \$1,000
- Marine insurance and ocean freight amount = \$100

Step 1 - adjust for credit terms

- 1. 1% per month interest rate should be applied to the invoiced price credit terms (i.e. 30 days = 1%)
- 2. If the invoiced CIF, 60 days price is \$1,000, then the CIF, cash price = \$980 (\$1,000 less 2%)

Step 2 - adjust for incoterms

- 3. Adjust for freight and insurance to calculate DXP at FOB, cash equivalent
- 4. CIF, cash price of \$980 minus freight and insurance amount of \$100 = \$880
- 5. The DXP price = \$880 FOB, cash
- 6. What information is needed to complete an import declaration for goods subject to securities?

The information required by an importer or Customs broker to complete an import declaration for goods subject to DSA is:

- DXP;
- Dumping Specification Number (DSN) or exemption type (where appropriate);
- Country (this is usually country of origin or export country);
- Tariff classification and statistical code;
- Exporter / supplier; and
- Quantity.

Please see below to determine which DSN applies to the exporter of your goods.

7. What DSN do I use for my imported goods and what are the rates for my exporter?

The following DSNs apply to goods from China and France and entered for home consumption on and after 17 July 2019.

| Exporter | CCID | Description | Measure | Effective Rate of Duty | Ascertained Export Price | Export Terms | DSN |
|-------------------------------|---|-------------|---------|---------------------------|-----------------------------|-----------------|-----|
| China | | | | | | | |
| Maanshan Iron & Steel Co. Ltd | CCN9663969G CEJ6464464L CEY4376373E | All types | IDD | 17.4% | Confidential | FOB, 45 days | 9 |
| All other Exporters | | All types | IDD | 17.4% | Confidential | FOB, 45 days | 10 |
| France | | | | | | | |
| MG-Valdunes SAS | CFN9379674N CFJ7946436A | All types | IDD | 37.2% | Confidential | FOB, 60 days | 11 |
| All other exporters | | All types | IDD | 37.2% | Confidential | FOB, 60 days | 12 |

Please Note:

- 1. IDD ad valorem duty rates and AEP is considered confidential. Please see below on how importers can request the rates.
- 2. The actual duty liability may be higher than the effective rate of duty published due to the variable component of IDD.

| 8. How do I find out the confidential rate and | The IDD ad valorem rate and AEP for each DSN are considered confidential and will not be published. | | | | |
|---|--|--|--|--|--|
| ascertained export price for my exporter? | Importers of these goods may be provided with the confidential IDD ad valorem rate and the AEP, however the onus is on the importer to substantiate their commercial relationship with an exporter/supplier of their goods by providing evidence of: | | | | |
| | A previous trading history with a nominated exporter/supplier of the goods. Evidence of a trading history would take the form of at least commercial invoices, packing list and bills of lading from previous shipments. Additional documentation may be requested by the Commission; or | | | | |
| | In the absence of a trading history, an offer or a quotation from an exporter/supplier of goods subject to | | | | |
| | | | | | |
| | dumping/countervailing measures. The offer or quotation must be on the exporter/supplier's company letterhead. | | | | |
| | Requests and evidence should be sent to clientsupport@adcommission.gov.au | | | | |
| | Please note: | | | | |
| | | | | | |
| | Any requests for the confidential information that do not include sufficient evidence as outlined above will be rejected. Only as much of the confidential information as is necessary to enter the goods will be provided. The ABF will conduct monitoring of imports subject to anti-dumping measures consistent with its published policy. | | | | |
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| | | | | | |
| | | | | | |
| 9. Are there any exporters exempt from anti-dumping | All exporters and suppliers of railway wheels from China and France are subject to IDD. | | | | |
| , , , , , , | The 'all other exporters' rate of IDD will apply to exported goods unless an importer has evidence that the goods are being supplied | | | | |
| measures? | | | | | |
| | either directly by a named exporter or through a linked supplier. | | | | |
| 10. How long are the | The measures have been imposed for five years, unless revoked earlier. | | | | |
| measures in place for? | | | | | |
| · | In the case of railway wheels from China and France the measures are in place until 16 July 2024. | | | | |
| 11. What tariff | Goods subject to securities should be classified using the tariff sub-headings and associated statistical codes below: | | | | |
| classifications and statistical | | | | | |
| codes are covered by the | Tariff subheading Statistical code | | | | |
| anti-dumping measures? | 8607.19.00 20 | | | | |
| | 3007.13.00 20 | | | | |
| | | | | | |
| | These tariff classifications and statistical codes may apply to goods which are not subject to measures, may change because of | | | | |
| | amendments to the Working Tariff or the subject goods may be imported under tariff classification numbers that are not listed. | | | | |

| 11. What tariff |
|---------------------------------|
| classifications and statistical |
| codes are covered by the |
| anti-dumping measures? |
| (continued) |

The listing of this tariff classification and statistical code is for convenience or reference only and does not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods subject to measures.

Where importers are unclear on the correct tariff classification of their goods, it is recommended they check the <u>Working Tariff page</u> on the ABF website or contact the ABF on 131 881.

12. What are the duty assessment importation and application period dates?

An importer of goods on which an IDD has been paid, may lodge an application with the Commissioner requesting that the Parliamentary Secretary make an assessment of the final liability of those goods to duty.

This usually occurs when an importer considers that the IDD paid in respect of goods exceed the total amount payable (i.e. importers consider they are entitled to a refund of duties). In relation to IDD, an importer may consider that the dumping margin for the goods is now less than it was during the investigation period, or that its exporter is no longer dumping, and as a result it has paid more duty than it should have paid.

There are a series of time frames fixed by legislation that govern the duty assessment system (referred to as importation periods). The duty assessment importation periods and application dates for railway wheels from China and France are as follows:

| Importation Period | Application Period |
|--------------------------------|--------------------------------|
| 16 July 2019 – 15 January 2020 | 16 January 2020 – 15 July 2020 |
| 16 January 2020 – 15 July 2020 | 16 July 2020 – 15 January 2021 |
| 16 July 2020 – 15 January 2021 | 16 January 2021 – 15 July 2021 |
| 16 January 2021 – 15 July 2021 | 16 July 2021 – 15 January 2022 |
| 16 July 2021 – 15 January 2022 | 16 January 2022 – 15 July 2022 |
| 16 January 2022 – 15 July 2022 | 16 July 2022 – 15 January 2023 |
| 16 July 2022 – 15 January 2023 | 16 January 2023 – 15 July 2023 |
| 16 January 2023 – 15 July 2023 | 16 July 2023 – 15 January 2024 |
| 16 July 2023 – 15 January 2024 | 16 January 2024 – 15 July 2024 |
| 16 January 2024 – 15 July 2024 | 16 July 2024 – 15 January 2025 |

More information about duty assessments is available on the **Anti-Dumping Commission website**.