



ANTI-DUMPING NOTICE NO. 2016/114

Customs Act 1901 – Part XVB

Certain Hollow Structural Sections

**Exported from the People's Republic of China,
the Republic of Korea, Malaysia and Taiwan**

**Initiation of a review of anti-dumping measures
relating to Alpine Pipe Manufacturing SDN BHD**

Notice under subsection 269ZC(4) of the Customs Act 1901

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have initiated a review of the anti-dumping measures, in the form of a dumping duty notice, applying to certain hollow structural sections (the goods) exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea), Malaysia and Taiwan as they apply to Alpine Pipe Manufacturing SDN BHD (Alpine), an exporter of the goods from Malaysia.

The anti-dumping measures that currently apply to the goods since 3 July 2012, are due to expire on 2 July 2017.¹ A continuation inquiry has been initiated² and this review of measures will run concurrently with the continuation inquiry. This review will be limited to examining whether the variable factors relevant to the taking of the anti-dumping measures as they affect Alpine should be varied.

1. The Goods

The goods subject to the anti-dumping measures and therefore this review are:

certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include in-line galvanised (ILG), pre-galvanised or hot-dipped galvanised (HDG) and non-galvanised HSS.

¹ On and from 3 July 2017, if not continued, the anti-dumping measures would no longer apply.

² See ADN 2016/113 on the Commission's website at www.adcommission.gov.au

Sizes of the goods are, for circular products, those –exceeding 21 mm up to and including 165.1 mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 1277.3 mm. Categories of HSS excluded from the goods are conveyor tube; precision RHS with a nominal thickness of less than 1.6 mm; and air heater tubes to Australian Standard (AS) 2556.

1.1 Tariff classification of the goods

The goods are currently classified to the following tariff subheading of Schedule 3 to the *Customs Tariff Act 1995*:

- 7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36 and 37)
- 7306.61.00 (statistical codes 21, 22 and 25)
- 7306.61.00 (statistical code 90)³
- 7306.69.00 (statistical code 10)
- 7306.50.00 (statistical code 45)⁴

Goods exported from Malaysia are not subject to Customs duty.

2. Background to the measures

The anti-dumping measures were initially imposed by public notice on 3 July 2012 by the then Minister for Home Affairs following consideration of *International Trade Remedies Branch Report No. 177* (REP 177).

The anti-dumping measures currently apply as follows:

- the dumping duty notice applies to all exporters of certain HSS from China, Korea, Malaysia and Taiwan; and
- the countervailing duty notice applies to all exporters of certain HSS from China except Dalian Steelforce Hi-Tech Co. Ltd. (Dalian), Huludao City Steel Pipe Industrial Co. Ltd. and Qingdao Xianxing Steel Pipe Co. Ltd.

A background to key cases⁵ in relation to the goods is summarised in Table 1 below.

Case type and no.	ADN ⁶ No.	Date	Country of export	Findings
Investigation REP 177	2012/31	3 July 2012	China, Korea, Malaysia and Taiwan	Dumping and countervailing duties imposed

³ These tariff subheadings only apply to: Dalian Steelforce Hi-Tech Co. Ltd. (China); Tianjin Friend Steel Pipe Co. Ltd. (China); Tianjin Ruitong Iron and Steel Co. Ltd. (China); Roswell S A R Limited (China); and Alpine Pipe Manufacturing SDN BHD (Malaysia).

⁴ *ibid.*

⁵ Reports and documents relating to these cases are available on the Commission’s public record at www.adcommission.gov.au

⁶ Anti-Dumping Notices are available on the Commission’s website at www.adcommission.gov.au

Case type and no.	ADN ⁶ No.	Date	Country of export	Findings
Reinvestigation REP 203	2013/35	13 May 2013	China, Korea, Malaysia and Taiwan	REP 177 affirmed with variation to dumping duty applicable to Dalian Steelforce Hi-Tech Co. Ltd. (China)
Exemption EX 0017	2014/51	17 June 2014	China, Korea, Malaysia and Taiwan	Exemption granted
Federal Court decision	2016/09	17 February 2016	China	Revised dumping duty applicable to Dalian Countervailing duty notice not applicable to Dalian
Anti-circumvention REP 291	2016/24	18 March 2016	China, Korea and Malaysia	Original notices amended to expand tariff classifications covered by the notices
Exemption EX0043	2016/52	16 May 2016	China, Korea, Malaysia and Taiwan	Exemption not granted

Table 1: Summary of cases undertaken in relation to the goods

3. Application for review of measures

On 14 October 2016, an application was lodged on behalf of Croft Steel Traders Pty. Ltd. (Croft or the applicant) under subsection 269ZA(1) of the *Customs Act 1901* (the Act)⁷ for a review of the dumping duty notice as it applies to Alpine. The applicant is an importer of the goods and is therefore eligible to apply for a review in accordance with subsection 269ZA(1).⁸

Croft's application was not made earlier than twelve months after the publication of a notice declaring the outcome of the last review of the dumping duty notice, being 15 July 2015. The application therefore satisfies the requirements of subsection 269ZA(2)(a).

3.1 Compliance with section 269ZB

I consider that the application complies with the requirements of section 269ZB, in that the application is in writing, in a form approved by me for the purposes of this section, contains the information that the form requires, is signed in the manner indicated by the form, and was lodged in a manner approved under section 269SMS.

3.2 Assessment under subsection 269ZC(2)(b)

I have examined the application, information and evidence provided with the application and data obtained from the Australian Border Force import database to make my assessment under subsection 269ZC(2)(b).

⁷ All legislative references are to the *Customs Act 1901* unless otherwise stated.

⁸ An importer is an affected party as defined in subsection 269T(1).

Evidence from these sources includes evidence showing that certain variable factors relevant to the taking of the anti-dumping measures in relation to Alpine have altered as a result of:

- declining steel prices, particularly with respect to hot rolled coil (raw material feed); and
- foreign currency depreciation between MYR/USD and AUD/USD.

Having regard to the above evidence, which includes the applicant's claims, I am satisfied that in accordance with subsection 269ZC(2)(b) there appear to be reasonable grounds for claiming that the variable factors relevant to the taking of the anti-dumping measures with respect to Alpine have changed since the measures were imposed.

For the reasons discussed above, I have decided to *not reject* the application.

4. Review

For the purposes of this review, I will examine data for the period 1 July 2015 to 30 June 2016 (review period) to determine whether to recommend that the dumping duty notice insofar as it affects Alpine should:

- remain unaltered; or
- have effect as if different variable factors had been ascertained.

4.1 Public Record

I must maintain a public record of this review. The public record must contain, among other things, a copy of all submissions from interested parties.

Documents included in the public record may be examined at www.adcommission.gov.au or at the Commission office by contacting the case manager on the details provided below.

4.2 Lodgement of submissions

Interested parties, as defined in subsection 269T(1), are invited to lodge written submissions concerning this review, no later than the close of business on 7 December 2016, being 37 days after publication of this notice.

The Commission's preference is to receive submissions via *email* to: operations2@adcommission.gov.au

If email submission is not possible, the following alternatives are available:

- *mail*: The Director Operations 2
Anti-Dumping Commission
GPO Box 1632
MELBOURNE VIC 3001
- *fax*: +61 3 8539 2499

Interested parties wishing to participate in the review must ensure that submissions are

lodged promptly. Where an interested party claims that information contained in their submission is confidential, or that the publication of the information would adversely affect a person's business or commercial interests, an interested party must:

- a. provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- b. satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY".

Interested parties must lodge a non-confidential version or a summary of their submission for the public record in accordance with the requirement above (clearly marked "PUBLIC RECORD").

Interested parties should note that I am not obliged to have regard to a submission received after the date indicated above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts (SEF) on the public record⁹.

4.3 Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Assistant Minister for Industry, Innovation and Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science (Parliamentary Secretary)¹⁰ within the legislative timeframe. The SEF will be placed on the public record by 20 February 2016, or by such later date as the Parliamentary Secretary may allow in accordance with subsection 269ZHI(3). The SEF will set out the essential facts on which I propose to base a recommendation to the Parliamentary Secretary in relation to this review. Interested parties are invited to lodge submissions in response to the SEF within 20 days of the SEF being placed on the public record.

Submissions received in response to the SEF within 20 days of that statement being placed on the public record will be taken into account in completing my report and recommendation to the Parliamentary Secretary.

4.4 Report to the Parliamentary Secretary

A recommendation to the Parliamentary Secretary will be made in a report on or before 4 April 2017 (or such later date as the Parliamentary Secretary may allow in accordance with subsection 269ZHI(3)).

The Parliamentary Secretary must make a declaration under subsection 269ZDB(1) within 30 days after receiving the report, or if the Parliamentary Secretary considers there are special circumstances, such longer period, as the Parliamentary Secretary considers appropriate.

⁹ Subsection 269ZD(3).

¹⁰ On 19 July 2016, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Industry, Innovation and Science. For the purposes of this review the Minister is the Parliamentary Secretary to the Minister for Industry, Innovation and Science.

4.5 Future reviews

Under subsection 269ZA(2), an application for a review must not be made earlier than 12 months after the publication of the notice implementing the original measure or the notice declaring the outcome of the last review. Once a notice declaring the outcome of this review is published (regardless of the outcome), an application for a review of measures in relation to the dumping duty notice that is the subject of this review cannot be made for a period of 12 months.

5. Commission contact

Enquiries about this notice may be directed to the Case Manager on telephone number + 61 3 8539 2443 or email at operations2@adcommission.gov.au

Dale Seymour
Commissioner
Anti-Dumping Commission

31 October 2016