



Australian Government
Department of Industry,
Innovation and Science

Anti-Dumping
Commission

Application for a
review of
anti-dumping measures
applying to hot rolled structural steel
sections
exported to Australia from the
Republic of Korea, the Kingdom of
Thailand, Taiwan and Japan, except
for exports by Feng Hsin Iron and
Steel Co Ltd from Taiwan

APPLICATION UNDER SECTION 269ZA OF THE *CUSTOMS ACT 1901*
FOR A REVIEW OF ANTI-DUMPING MEASURES

In accordance with section 269ZA of the *Customs Act 1901* (the Act), I request that the Anti-Dumping Commissioner initiate a review of anti-dumping measures in respect of the goods the subject of this application to:

1. **revise the level of the measures** because one or more of the variable factors relevant to the taking of measures have changed (a variable factors review)

In this case the factors that I consider have changed are:

- normal value
 export price
 non injurious price
 subsidy

The variable factors review is in relation to:

- a particular exporter (*if so provide name and country details*)
 exporters generally from the Republic of Korea (**South Korea**)

or

2. **revoke the measures** because the anti-dumping measures are no longer warranted (a revocation review)

In this case the measure I consider should be revoked is:

- the dumping duty notice
 the countervailing duty notice
 the undertaking

The revocation review is in relation to:

- a particular exporter (*if so provide name and country details*)
 exporters generally

NOTE

Where seeking variable factors review as well as a revocation review, indicate this in *both* 1 and 2 above.

DECLARATION

I believe that the information contained in this application:

- provides reasonable grounds for review of the anti-dumping measure; and
- is complete and correct to the best of my knowledge and belief.

Signature:



Name:



Position:



Company: ONESTEEL MANUFACTURING PTY LIMITED

ABN: 42 004 651 325

Date: 27 FEBRUARY 2018

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Signature requirements

Where the application is made:

By a company - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

By a joint venture - a director, employee, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

On behalf of a trust - a trustee of the trust must sign the application.

By a sole trader - the sole trader must sign the application.

In any other case - contact the Commission's client support section for advice.

Assistance with the application

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the '*Instructions and Guidelines for applicants: Application for review or revocation of measures*' on the Commission's website.

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

Phone: 13 28 46 or +61 2 6213 6000 (outside Australia)

Fax: (03) 8539 2499 or +61 3 8539 2499 (outside Australia)

Email: clientsupport@adcommission.gov.au

Other information is available from the Commission's website at www.adcommission.gov.au.

Small and medium enterprises (i.e., those with less than 200 full-time staff, which are independently operated and which are not a related body corporate for the purposes of the *Corporations Act 2001*), may obtain assistance, at no charge, from the Department of Industry, Innovation and Science's International Trade Remedies Advisory (ITRA) Service. For more information on the ITRA Service, visit www.business.gov.au or telephone the ITRA Service Hotline on +61 2 6213 7267.

Required information

1. Provide details of the name, street and postal address, of the applicant seeking the continuation.

The applicant, OneSteel Manufacturing Pty Limited trading as 'Liberty OneSteel' ABN 42 004 651 325 (**Liberty OneSteel**) of Level 6, 205 Pacific Highway, St Leonards, NSW 2065.

2. Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.

Contact Name: [REDACTED]
Position: [REDACTED]
Telephone: [REDACTED]
Facsimile: N/A
E-mail address: [REDACTED]

3. Name other parties supporting this application.

The applicant, Liberty OneSteel, is the sole producer in Australia of like goods to the goods.

4. Describe your interest as an affected party (eg are you concerned with the exportation of the goods, the importation of the goods, or part of the Australian industry, or acting on behalf of the Government of an exporting country).

The applicant is the sole member of the Australian industry producing like goods.

5. Provide details of the current anti-dumping measure(s) the subject of this review application, including:

The goods the subject of this review application to which the current anti-dumping measures apply (**the goods**) are:

Hot rolled structural steel sections in the following shapes and sizes, whether or not containing alloys:

- *universal beams (I sections), of a height greater than 130mm and less than 650mm;*
- *universal columns and universal bearing piles (H sections), of a height greater than 130mm and less than 650mm;*
- *channels (U sections and C sections) of a height greater than 130mm and less than 400mm; and*

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- *equal and unequal angles (L sections), with a combined leg length of greater than 200mm.*

Sections and/or shapes in the dimensions described above, that have minimal processing, such as cutting, drilling or painting do not exclude the goods from coverage of the measures.

The measures do not apply to the following goods:

- *hot rolled 'T' shaped sections, sheet pile sections and hot rolled merchant bar shaped sections, such as rounds, squares, flats, hexagons, sleepers and rails; and*
- *sections manufactured from welded plate (e.g. welded beams and welded columns).*

- **tariff classification**

Goods identified as hot rolled non-alloy steel sections (meeting the specified shapes and sizes set out above) are currently classified to the tariff subheading in Schedule 3 of the *Customs Tariff Act 1995*:

- 7216.31.00 statistical code 30;
- 7216.32.00 statistical code 31;
- 7216.33.00 statistical code 32; and
- 7216.40.00 statistical code 33.

Goods identified as hot rolled other alloy steel sections (meeting the specified shapes and sizes set out above) are classified to tariff subheading 7228.70.00 in Schedule 3 of the *Customs Tariff Act 1995*.

- **the countries or companies**

The Republic of Korea (**South Korea**), the Kingdom of Thailand (**Thailand**), Taiwan and Japan, except for exports by Feng Hsin Iron and Steel Co Ltd from Taiwan

- **specified date of publication of the measure**

The anti-dumping measures were initially imposed by public notice on 20

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November 2014 by the then Parliamentary Secretary to the Minister for Industry following consideration of *Anti-dumping Commission Report No. 223*, and amended on:

- 18 October 2016 following *Accelerated Review Inquiry No. 359* concerning exports from Taiwan relating to Dragon Steel Corporation; and
- 19 October 2016 following *Review No. 345* concerning exports from Taiwan relating to Tung Ho Steel Enterprise Corporation and *Review No. 346* concerning exports from Thailand relating to Siam Yamato Steel Co Ltd.

6. Provide the names, addresses, telephone numbers and facsimile numbers of other parties likely to have an interest in this matter e.g. Australian manufacturers, importers, exporters and/or users.

Exporters

Name: Hyundai Steel Company
Address: West Pavilion of Hyundai-Kia Motors Building
12, Heolleung-ro
Seocho-gu
Seoul, SOUTH KOREA
Telephone: + 82 2 3464 6114
Facsimile: + 82 2 3464 6100

Importers

Name: Sanwa Pty Ltd
Address: 201/100 New South Head Road, Edgecliff NSW 2013
Telephone: 02 9362 3088
Facsimile: 02 9925 9844

Name: Stemcor Australia Pty Ltd
Address: Level 30, 31 Market Street, Sydney NSW 2000
Telephone: 02 9284 5600
Facsimile: 02 9284 5601

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Applications
for review of
variable
factors

If you are applying for a variable factors review (in box 1 above) provide a detailed statement setting out your reasons. Include information about:

- the factor(s) you wish to have reviewed;
- the amount by which that factor is likely to have changed since anti-dumping measures were last imposed, and evidence in support; and

The applicant claims that there has been a change in the variable factors relevant to the taking of the anti-dumping measures, specifically:

1. ascertained normal values; and
2. ascertained export prices.

The amounts by which the variable factors are likely to have changed since anti-dumping measures were last imposed, are examined below.

1. Ascertained normal values

In *Dumping Investigation No. 223*, Hyundai Steel Company (**Hyundai Steel**) was the only cooperative exporter of the goods from South Korea. The normal value ascertained for this exporter in the original investigation was determined under s 269TAC(1). For uncooperative and all other exporters from South Korea, the normal value was established under s 269TAC(6) having regard to all relevant information by reference to the normal value determined with verified information of the cooperative exporter over the investigation period, but by removing selected favourable and verified adjustments applied to that cooperative exporter. In other words, the normal value for all other exporters from South Korea was established by reference to the normal value determined for Hyundai Steel. Therefore, changes to the normal value for Hyundai Steel will result in changes to the country rate for 'other' exporters from South Korea.

Published sales information is available for domestic sellers of like goods to the goods in South Korea. Movements in the domestic sales price for like goods (expressed in AU\$/t) since the original investigation period is illustrated in

CONFIDENTIAL FIGURE A (below).

CONFIDENTIAL FIGURE A

CONFIDENTIAL FIGURE A Average monthly movements in domestic sales prices in South Korea for like goods (AU\$/t) (Source: CONFIDENTIAL ATTACHMENT A)

Hyundai Steel and all other exporters from South Korea

The dumping duty notice applying to the goods exported to Australia from South Korea by Hyundai Steel and all other exporters remains subject to the normal values ascertained in *Dumping Investigation No. 223*.

Given the movements in domestic selling prices in South Korea for the like goods (as expressed in AU\$/t) since the original investigation period (refer **CONFIDENTIAL FIGURE A** (above)), the industry applicant considers that the ascertained normal values for Hyundai Steel and all other exporters will have changed, specifically, it is likely to have **increased by 10.7 per cent** since anti-dumping measures were last imposed.ⁱ

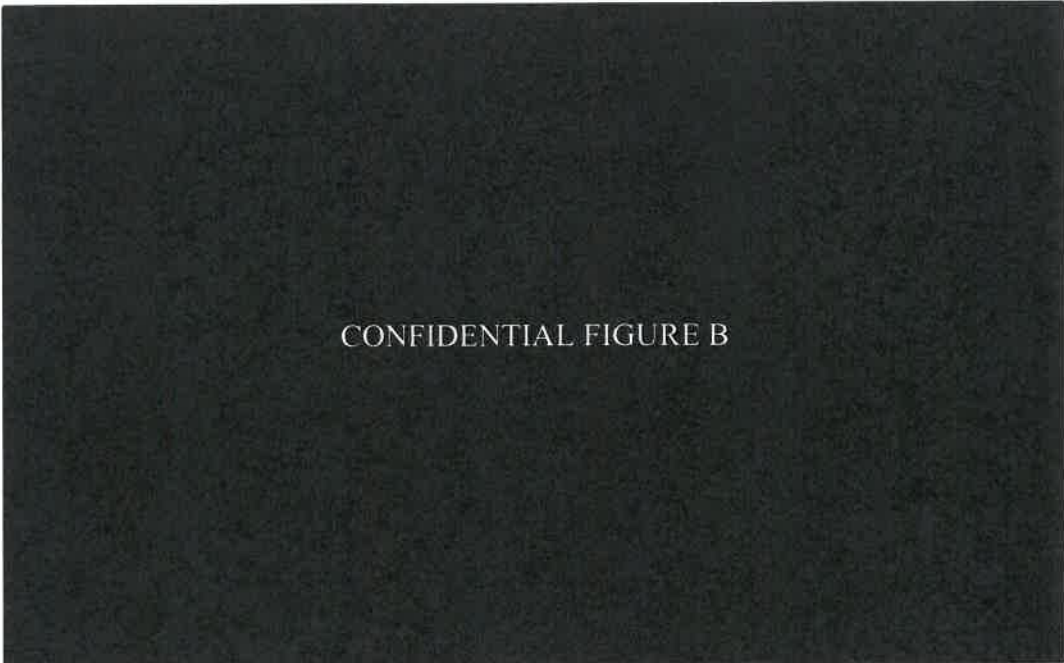
2. Ascertained export prices

In *Dumping Investigation No. 223*, Hyundai Steel was the only cooperative exporter of the goods from South Korea. The export price for exports by Hyundai Steel was established under s 269TAB(1)(a), using the invoiced export price, by product model, less transport and other costs arising after exportation. For uncooperative and all other exporters from South Korea, the Commission established export prices pursuant to s 269TAB(3), having regard to all relevant

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information by reference to the export price determined with the verified information of Hyundai Steel over the investigation period. In other words the export price for all other exporters from South Korea was established by reference to the export price determined for Hyundai Steel. Therefore, changes to the export price for Hyundai Steel will result in changes to the country rate for 'other' exporters from South Korea.

Published export price information (obtained on a subscription basis) is available of the goods exported to Australia from South Korea.ⁱⁱ Movements in the FOB export price for the goods (expressed in AU\$/t) since the original investigation period is illustrated in **CONFIDENTIAL FIGURE B** (below).



CONFIDENTIAL FIGURE B Monthly weighted average export prices of the goods exported from South Korea since October 2012 (Source: CONFIDENTIAL ATTACHMENT B)

Hyundai Steel and all other exporters from South Korea

The dumping duty notice applying to the goods exported to Australia from South Korea by Hyundai Steel and all other exporters remains subject to the normal values ascertained in *Dumping Investigation No. 223*.

Given the movements in export prices to Australia exported from South Korea for the goods and like goods (as expressed in AU\$/t) since the original investigation period (refer **CONFIDENTIAL FIGURE B** (above)), the industry applicant considers that the ascertained export prices for Hyundai Steel and all other

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exporters will have changed, specifically, it is likely to have decreased by 1.5 per cent since anti-dumping measures were last imposed.ⁱⁱⁱ

- **in your opinion the causes of the change and whether these causes are likely to persist.**

In the industry applicant's opinion, the change in the variable factors between the original investigation period and the proposed review period are due in significant part to changes in the raw material costs to produce the goods and like goods.

The industry applicant observes a strong correlation between movements in the price of steel scrap (denominated in South Korean Won), the domestic selling price, and the export price to Australia. In the case of the latter, the relationship between the steel scrap price and the export price to Australia is very strongly related to the steel scrap price. Naturally, as the steel scrap price is a global commodity value, and broadly reflective of international steel making conditions it is a good indicator of overall material cost conditions for steel making, and changes over time, and the movements in price will be followed by most producers of finished steel products globally.

CONFIDENTIAL FIGURE C (below), illustrates the influence of steel scrap prices on the domestic South Korean sales values and Australian export prices of the goods and like goods since the original investigation period.

The applicant industry contends that for so long as the steel scrap price is influenced by global supply and demand conditions, changes in the steel scrap price will persist, and as a result, so too will changes in the variable factors.

CONFIDENTIAL FIGURE C

CONFIDENTIAL FIGURE C Steel scrap prices, South Korean domestic sales prices for the like goods and export prices from South Korea to Australia for the goods and like goods (Source: CONFIDENTIAL ATTACHMENT C)

Application
for a
revocation
review

If you are applying for a revocation review (in box 2 above), provide a detailed statement setting out your reasons.

Include evidence in support of your view that there are reasonable grounds for asserting that the measures are no longer warranted. Refer to the “Guidelines for Preparing an Application for Review of Measures” as part of preparing your response. If you consider anti-dumping measures are no longer warranted because of:

- ***no dumping or no subsidisation***: provide evidence that there is no dumping, or no subsidy, and why dumping or subsidisation is unlikely to recur if measures were revoked.
- ***no injury***: provide evidence that there is no current injury, and there is unlikely to be a recurrence of injury if the measures were to be revoked.

Not applicable.

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Lodgement of the application

This application, together with the supporting evidence, must be lodged in the manner approved by the Commissioner under subsection 269SMS(2) of the Act. The Commissioner has approved lodgement of this application by either:

- preferably, email, using the email address clientsupport@adcommission.gov.au, or
- post to:
The Commissioner of the Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601, or
- facsimile, using the number (03) 8539 2499 or +61 3 8539 2499 **(outside Australia)**

Public Record

During an investigation all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission's website at www.adcommission.gov.au.

At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application must be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the review, or, if those reasons cannot be summarised, a statement of reasons why summarisation is not possible. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.

ENDNOTES

ⁱ CONFIDENTIAL ATTACHMENT A.

ⁱⁱ Australian Bureau of Statistics trade data is not considered a sufficiently transparent source of export price information because of the extent of confidentiality restrictions applied to the data.

ⁱⁱⁱ CONFIDENTIAL ATTACHMENT B.