



**Australian Government**  
**Department of Industry,  
Innovation and Science**

# **Anti-Dumping Commission**

## **Application for a review of anti-dumping measures**





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

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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- Zenith Steel Group Co., Ltd  
☐ exporters generally

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:

Zenith Steel Group Co., Ltd

ABN:

Not Applicable

Date:

2 Jun 2016



**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](mailto:clientsupport@adcommission.gov.au)

Other information is available from the Commission's website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

Small and medium enterprises (i.e., those with up to 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](http://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.
2. Provide details of the name of a contact person, including their position, telephone number and facsimile number, and e-mail address.
3. Name other parties supporting this application.
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).
5. Provide details of the current anti-dumping measure(s) the subject of this review application, including:
  - tariff classification
  - the countries or companies

	<ul style="list-style-type: none"> <li>- specified date of publication of the measure</li> </ul>
<b>Applications for review of variable factors</b>	<p>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.</p> <p>If you are applying for a variable factors review (in box 1 above) provide a detailed statement setting out your reasons. Include information about:</p> <ul style="list-style-type: none"> <li>• the factor(s) you wish to have reviewed;</li> <li>• the amount by which that factor is likely to have changed since anti-dumping measures were last imposed, and evidence in support; and</li> <li>• in your opinion the causes of the change and whether these causes are likely to persist.</li> </ul>
<b>Application for a revocation review</b>	<p>If you are applying for a revocation review (in box 2 above), provide a detailed statement setting out your reasons.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• <i>no dumping or no subsidisation</i>: provide evidence that there is no dumping, or no subsidy, and why dumping or subsidisation is unlikely to recur if measures were revoked.</li> <li>• <i>no injury</i>: 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.</li> </ul>
<b>Lodgement of the application</b>	<p>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::</p> <ul style="list-style-type: none"> <li>• preferably, email, using the email address <a href="mailto:clientsupport@adcommission.gov.au">clientsupport@adcommission.gov.au</a>, or</li> <li>• pre-paid post to: <p>The Commissioner of the Anti-Dumping Commission GPO Box 1632 Melbourne VIC 3001, or</p> </li> <li>• facsimile, using the number (03) 8539 2499 or +61 3 8539 2499 <b>(outside Australia)</b></li> </ul>
<b>Public Record</b>	<p>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 <a href="http://www.adcommission.gov.au">www.adcommission.gov.au</a>.</p> <p>At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application <u>must</u> 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</p>

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.

**APPLICATION FOR REVIEW OF VARIABLE FACTORS –  
ZENITH STEEL GROUP CO.,LTD**

**REQUIRED INFORMATION**

**1. Applicant:**

Company: Zenith Steel Group Co., Ltd (“Zenith”)

Address: East of Qishuyan, Changzhou, Jiangsu Province, PRC

**2. Contact person:**

Name:

Tel:

Fax: -

Email:

**3. Applicant’s representatives**

Name: Mr John Bracic

Company: J.Bracic & Associates Pty Ltd

Address: PO Box 3026 Dongzhimennan Ave, Beijing, China Manuka, ACT 2603

Tel: +61 (0)499 056 729

Email: john@jbracic.com.au

**4. Other parties supporting this application:**

Not applicable.

**5. Applicant’s interest:**

Zenith is an integrated producer and exporter of various steel products including rod in coils.

**6. Details of current anti-dumping measures:**

The goods subject of the dumping duty notice is hot rolled rods in coils of steel, whether or not containing alloys, that have maximum cross sections that are less than 14mm.

Tariff classification:

Rod in coils is classified to the following tariff subheadings of Schedule 3 to the Customs Tariff Act 1995 (Tariff Act).

Tariff subheading	Statistical code
7213.91.00	44
7227.90.90	02

Country subject to the notice:

## **PUBLIC VERSION**

The People's Republic of China

Date of publication of the notice:

The publication date of the original notice was 22 April 2016.

### **1. GROUNDS FOR REVIEW**



Zenith submits that a review of the variable factors is warranted based on the change to the contemporary ascertained normal value.

## **ASCERTAINED NORMAL VALUE**

### **1.1 Basis for current ascertained normal values**

As Zenith did not engage in the exportation of wire rod to Australia during the original investigation period, it was not contacted and investigated by the Commission, and as such did not have the opportunity to participate in the original investigation and seek an individual determination of its dumping margin.

Zenith seeks review of the notice as it is currently subject to the country-wide non-cooperative interim dumping duty rate of 49%. This rate reflects the dumping margins determined for non-cooperating exporters during the original investigation period of 1 July 2014 to 30 June 2015, which was based on the *'the highest of the weighted average normal values of those that were established for the cooperating exporters in the investigation period.'* The current measures are hindering Zenith's ability to access the Australian market.

Zenith is not currently aware of the ascertained normal value applying to all other exporters as it did not export during the original investigation and has not exported steel reinforcing bar since. However, normal values in REP 301 were constructed on the basis of Latin America FOB Export prices plus exporter's conversions costs, domestic SG&A and profit. Zenith understands that the determined normal values ranged from RMB [REDACTED]/mt for [REDACTED] to RMB [REDACTED]/mt for [REDACTED]. Refer to **Confidential Exhibit A**.

### **1.2 Grounds for review of ascertained normal values**

As steel billet accounts for the vast proportion of the total cost to make and sell of steel reinforcing bars, Zenith has calculated contemporary normal values by adjusting estimated ascertained normal values by reference to the movement in Latin America FOB Export prices. The graph below shows that Latin America FOB Export prices have fallen by approximately [REDACTED]% when comparing the average price of the original investigation period and the contemporary 2016 calendar year. Analysis is contained in **Confidential Exhibit B**.

**[CONFIDENTIAL TABLE REMOVED]**

Based on the reduction in benchmark billet prices which will directly impact on constructed normal values, Zenith estimates that its prevailing contemporary ascertained normal values ranges from RMB [REDACTED]/mt to RMB [REDACTED]/mt. Refer to **Confidential Exhibit A**.

In Zenith's opinion, the contemporary normal values are likely to persist and even reduce further over the future period given the current falling trend in iron ore prices (refer to chart below).

**[CONFIDENTIAL TABLE REMOVED]**

**PUBLIC VERSION**

Evidence to support the above graph is attached at **Confidential Exhibit C**.

**1.3 Conclusion**

Zenith considers that the submitted evidence supports the view that there appears to be reasonable grounds for asserting that the ascertained normal value relevant to the taking of anti-dumping measures has changed.