

ADC Received 1 September 2016



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

**Anti-Dumping
Commission**

Application for a
review of
anti-dumping measures

**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 – Chung Hung Steel Corporation
- 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

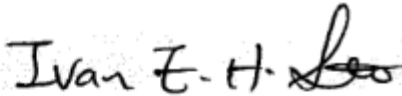
Where seeking variable factors review as well as a revocation review, indicate this in *both* 1 and 2 above.

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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: Ivan E.H. Lee

Position: Vice-President, Commercial Division

Company: Chung Hung Steel Corporation

ABN: N/A

Date: 30 August 2016

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About this form	<p>Subsection 269ZB(1)(b) of the Act requires that an application under subsection 269ZA(1) of the Act for a review of anti-dumping measures must be in a form approved by the Commissioner for those purposes. This is the approved form.</p>
Signature requirements	<p>Where the application is made:</p> <p><i>By a company</i> - the application must be signed by a director, servant or agent acting with the authority of the body corporate.</p> <p><i>By a joint venture</i> - 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.</p> <p><i>On behalf of a trust</i> - a trustee of the trust must sign the application.</p> <p><i>By a sole trader</i> - the sole trader must sign the application.</p> <p><i>In any other case</i> - contact the Commission's client support section for advice.</p>
Assistance with the application	<p>The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the '<i>Instructions and Guidelines for applicants: Application for review or revocation of measures</i>' on the Commission's website.</p> <p>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:</p> <p style="text-align: center;">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</p> <p>Other information is available from the Commission's website at www.adcommission.gov.au.</p> <p>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 <i>Corporations Act 2001</i>), 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 13 28 46.</p>
Required information	<ol style="list-style-type: none">1. Provide details of the name, street and postal address, of the applicant seeking the review or revocation of measures.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

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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
 - specified date of publication of the measure
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.

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

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.

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:

- preferably, email, using the email address clientsupport@adcommission.gov.au; or
- post to:

The Commissioner of the Anti-Dumping Commission
GPO Box 1632
Melbourne VIC 3001; or
- facsimile, using the number (03) 8539 2499.

It may be possible to lodge an application in a manner not described above provided that the Commissioner's written approval is obtained.

Public Record

During an investigation all interested parties are given the opportunity to

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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.

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**APPLICATION FOR REVIEW OF VARIABLE FACTORS –
CHUNG HUNG STEEL CORPORATION**

REQUIRED INFORMATION

1. Applicant:

Company: Chung Hung Steel Corporation (CHS)

Address: 317, Yu Liao Road, Chiao Tou District, Kaohsiung City, Taiwan

2. Contact person:

Name: Mr Jerel Pan

Tel: +886-7-6114183

Fax: +886-7-6130471

Email: ch25290@chsteel.com.tw

3. Applicant's representative

Name: Mr John Bracic

Company: J.Bracic & Associates Pty Ltd

Address: PO Box 3026

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:

CHS is a producer and exporter of galvanised coated steel.

6. Details of current anti-dumping measures:

The goods subject of the dumping duty notice are "galvanised steel" described as:

flat rolled products of iron and non-alloy steel of a width less than 600mm and, equal to or greater than 600mm, plated or coated with zinc".

Galvanised steel of any width is included.

The amount of zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m²) with the prefix being Z (Zinc) or ZF (Zinc converted to a Zinc/Iron alloy coating). Common coating masses used for zinc coating are: Z350, Z275, Z200, Z100, and for zinc/iron alloy

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coating are: ZF100, ZF80 and ZF30 or equivalents based on international standards and naming conventions.

Tariff classification:

Galvanised steel is classified to tariff subheadings 7210.49.00 (and statistical codes 55, 56, 57 and 58) and 7212.30.00 (and statistical code 61) of Schedule 3 to the Customs Tariff Act 1995 (Tariff Act).

Country subject to the notice:

Taiwan

Date of publication of the notice:

The publication date of the original notice was 5 August 2013. Subsequently, a review of the notice was undertaken and published on 3 August 2015.

1. GROUNDINGS FOR REVIEW

CHS is requesting a review of the following variable factors:

- ascertained export price, and
- ascertained normal value.

2. ASCERTAINED EXPORT PRICE

2.1 Basis for current ascertained export prices

The current applicable ascertained export price relevant to CHS's exports was determined in the original investigation into galvanised coated steel (REP 190) in accordance with s.269TAB(1)(a) of the Act for direct exports, and s.269TAB(1)(c) of the Act for indirect exports made to Australia, using the invoice export price less prescribed deductions.

The current ascertained export price applying to CHS's exports of galvanised coated steel is [REDACTED]/mt.

2.2 Grounds for review of ascertained export prices

Since the decision to impose interim dumping duties, CHS has continued to export galvanised coated steel to Australia at prices lower than those established during the original investigation period (July 2011 to 30 June 2012). The decline in export selling prices for galvanised coated steel is supported by the sample export sales commercial invoices contained at **Confidential Exhibit A**.

Please note that during the proposed review period of 1 July 2015 to 30 June 2016, [REDACTED]

[REDACTED]. [Confidential export sales information]

The submitted information shows that unit selling prices across a proposed review period of 1 July 2015 to 30 June 2016 varied from a weighted average price of [REDACTED]/mt in July 2015 to [REDACTED]/mt in October 2015 and [REDACTED]/mt in February 2016. The weighted average export price over this period was approximately [REDACTED]/mt. This compares to the AEP applicable to CHS's exports of [REDACTED]/mt, or approximately a [REDACTED]% decrease.

2.3 Conclusion

On the basis of the attached evidence for export sales of galvanised coated steel, CHS considers that there appears to be reasonable grounds for asserting that the ascertained export price relevant to the taking of anti-dumping measures has changed.

3. ASCERTAINED NORMAL VALUE

3.1 Basis for current ascertained normal values

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The current applicable ascertained normal value for CHS was determined in the original investigation into galvanised coated steel (REP 190) in accordance with s.269TAC(1) and s.269TAC(2)(c) of the Act.

To ensure fair comparison the following adjustments were made:

Negative

- domestic packing

Positive

- export packing;
- export commission and trade fee;
- export bank charges; and
- export inland freight and inland transportation.

CHS is unaware of its ascertained normal value but assumes that it is based on the difference between the ascertained export price and the determined dumping margin. On that basis, the current ascertained normal value applying to CHS exports of galvanised coated steel is [REDACTED]/mt.

3.2 Grounds for review of ascertained normal values

As noted by the Commission in the original investigation into galvanised steel (REP 190), hot-rolled coil (HRC) 'is the major raw feed material for galvanised steel'. Since the decision to impose dumping duties on exports by CHS following REP 190, global hot-rolled coil prices have significantly reduced which has resulted in a decrease in the costs of producing galvanised coated steel.

The graph below shows that HRC prices have fallen by approximately 49% since the imposition of the measures in August 2013 through to December 2015 (**Confidential Exhibit B**).

[Proprietary information removed]

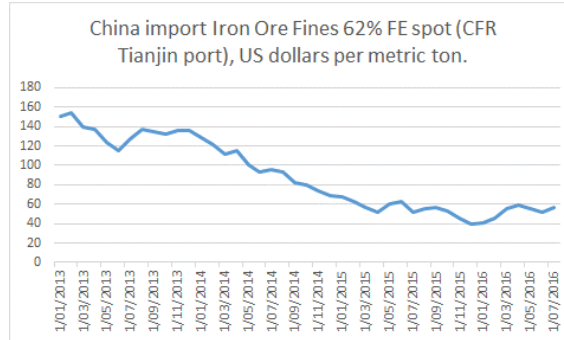
Source: SBB

This reduction in costs has resulted in contemporary Taiwanese domestic selling prices for galvanised coated steel being significantly lower than the applicable ascertained normal values. The decline in Taiwanese domestic selling prices for galvanised coated steel is supported by the sample domestic sales invoices contained at **Confidential Exhibit C**.

The submitted information shows that unit selling prices across a proposed review period of 1 July 2015 to 30 June 2016 varied from a weighted average price of [REDACTED]/mt in October 2015 to [REDACTED]/mt in February 2016 and [REDACTED]/mt in May 2016. The weighted average domestic selling price over this period was approximately [REDACTED]/mt. This compares to the ANV applicable to CHS's exports of [REDACTED]/mt, or approximately a [REDACTED]% decrease.

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In CHS’s opinion, the contemporary export prices and normal values are likely to persist given that the trend for iron ore prices (refer to chart below) and corresponding HRC prices have been relatively stable since the beginning of 2015.



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

3.3 Conclusion

CHS 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.