

APPLICATION FOR ACCELERATED REVIEW

SINO SOURCES TECH CO., LTD.

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1. Background of measures and description of the goods to which this application relates.

These Anti-Dumping measures were initially imposed by public notice on 3 July 2012, by the then Minister for Home Affairs, following a dumping and countervailing investigation into HSS exported from China, and the Minister's consideration of International Trade Remedies Report No. 177 (REP 177).

Following a review by the former Trade Measures Review Officer, Australian Customs and Border Protection Service (ACBPS) conducted a reinvestigation into certain findings made in REP 177. International Trade Remedies Report No. 203, sets out the new findings made by ACBPS, as a result of the reinvestigation.

To give effect to this decision the former Minister published new dumping and countervailing duty notices under the then section 269ZZM of the Customs Act 1901 (the Act). These notices, which came into effect on 13 May 2013, replaced the dumping and countervailing duty notices published on 3 July 2012.

The goods subject to Anti-Dumping measures, in the form of dumping and countervailing duty notices, **(the goods)** 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, hot-dipped galvanised (HDG) and non-galvanised HSS.”

Sizes of the goods are, for circular products, those exceeding 21mm up to and including 165.1mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 1277.3mm.

Categories of HSS excluded from the goods are conveyor tube; precision RHS with a nominal thickness of less than 1.6mm and air heater tubes to Australian Standard (AS) 2556.

The goods are currently classified to the tariff subheadings 7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36 and 37); 7606.50.00 (statistical code 45); 7306.61.00 (statistical codes 21, 22, 25 and 90); and 7306.69.00 (statistical code 10) in Schedule 3 of the Customs Tariff Act 1995.

These goods are currently subject to a 2 per cent Customs duty under ChAFTA, with an accompanying Certificate of Origin.

Sino Sources Tech Co., Ltd (Sino Sources Tech), a manufacturer and new exporter of certain coated galvanised Steel Tubes from the People's Republic of China, wish to confirm that our company did not export to Australia the subject or following goods during the original Investigation Period of 1 July 2010 to 30 June 2011. We also confirm that our company, until recently, has not exported to Australia similar or like Hollow Structural Steel products, since the foregoing date.

2. Grounds for review

Our application is made under subsection 269ZA(1) of the Act for a review of the dumping and countervailing duty notices in relation to the goods exported to Australia from China by Sino Sources Tech Co., Ltd.

As outlined in the Commission's Dumping and Subsidy Manual, it is not required for a new exporter to have already exported a minimum quantity of the subject goods to Australia.

This is supported by the findings of the WTO Panel and upheld by the Appellate Body which examined whether Article 9.5 of the Anti-Dumping Agreement subjected the right to an expedited new shipper review to a showing of a "representative" volume of export sales.

The Panel found that:

Article 9.5 of the AD Agreement provides that the authorities shall promptly carry out a review, provided that the exporters or producers who have not exported the product subject to a duty during the period of investigation can show that they are not related to any of the exporters or producers in the exporting country who are subject to the Anti-Dumping duties on the product. In sum, in case a producer or exporter which (i) has not exported the product to the country concerned during the period of investigation and (ii) is not related to an exporter or producer already subject to the duty requests a new shipper review, the authority is required to promptly carry out such a review.

As outlined above, we believe Sino Sources Tech satisfies the two requirements for an Accelerated review of variable factors.

Therefore, Sino Sources Tech seeks an Accelerated Review of the original notice as it is currently being subjected to the 'Other Exporter' rate of 100.8%, as outlined in the Dumping Commodity Register for Hollow Structural Sections Exported from the People's Republic of China, The Republic of Korea, Malaysia and Taiwan.

As you are aware, this rate reflects the dumping margins determined for non-cooperating exporters during the original investigation which was based on the lowest weighted average export price for the entire investigation period from the selected co-operating exporters and the highest weighted average normal value for the entire investigation period from the selected cooperating exporters.

As Sino Sources Tech couldn't participate in the original investigation as it had not exported the subject goods to Australia, the ascertained variable factors determined for non-cooperating exporters are now inappropriate and restricting Sino Sources Tech's to access the Australian market.

In addition, as the current and future importations of Solar Racking System Galvanised Square Steel Tube have already been committed to an important Australian Solar Farm project in Queensland, the current excessive AD margins are placing an onerous burden onto the construction costs of an important project.

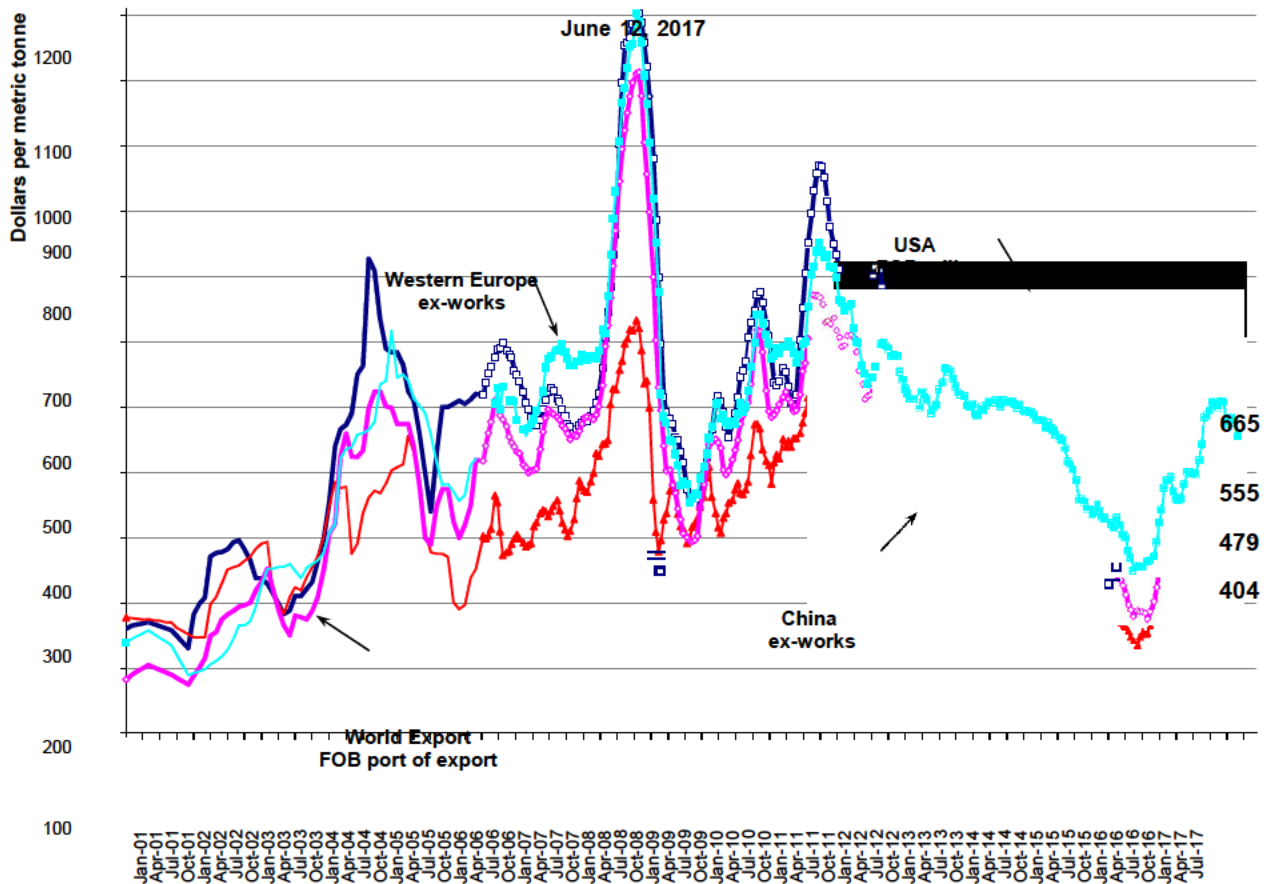
Therefore, Sino Sources Tech seeks the determination of new ascertained Normal Values and Export Prices based on its domestic selling prices or constructed selling prices, where appropriate.

As has been experienced in China, Sino Sources Tech believes the fall in iron ore prices has led to reduced costs of producing HRC and a corresponding reduction in domestic selling prices for HRC in China (please refer to the below price index over the IP and beyond. It is recognised these factors should lead to a considerable variation in relation to the current variable factors applying to 'Other Exporters', particularly when Sino Sources Tech's more recent costs to make and sell are provided to the Commission.

SteelBenchmarker™ HRB Price

USA, China, Western Europe and World Export

(WSD's PriceTrack data, Jan. 2001 - March 2006; SteelBenchmarker data begins April 2006)



3. Related to investigated exporters

The Commissioner may reject the application if satisfied in accordance with s.269ZE(2)(b) that:

“the exporter is related to an exporter whose exports were examined in relation to the application for publication of that notice;”

As per the attached letter from Sino Sources Tech, the company has confirmed that it is not related to any ‘exporter whose exports were examined in relation to the application for publication of the notice’.

4. Summary

We submit that Sino Sources Tech, as a new exporter not related to any non-cooperative exporter or an exporter subject to the measures and the evidential decline in prices affecting the variable factors of Export Prices and Normal Values since the original Investigation Period (IP) of Case No 177 (i.e. 1/07/2010 - 30/06/2011), warrants acceptance of this application for an accelerated review of measures.

As mentioned earlier, this material is being utilised by the Downer Group (i.e. the importer of record), for constructing Solar Racking Systems within the Clare region of Queensland, being an important renewable energy project for Australia.