

ADC Received 8 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 (*if so provide name and country details*)
Yieh Phui (China) Technomaterial Co., Ltd. of China
 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

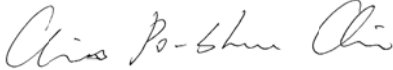
NOTE

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: **Chris Po-Shun Chiu**

Position: **Deputy General Manager of International Marketing & Sales Division**

Company: **Yieh Phui (China) Technomaterial Co., Ltd.**

ABN: **Not applicable.**

Date: **10 September 2016**

About this form 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.

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 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 or telephone 13 28 46.

Required information

1. Provide details of the name, street and postal address, of the applicant seeking the review or revocation of measures.

Name: Yieh Phui (China) Technomaterial Co., Ltd. (hereinafter referred to as "YPC")

Address: No. 1, Yieh Phui Rd., Riverside Industrial Park Changshu Economic Development Zonc, Jiangsu Province, the People's Republic of China

(Although the form states "continuation", this is an application for review of measures.)

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

Contact name: Chris Po-Shun Chiu

Position: Deputy General Manager of International Marketing & Sales Division, Yieh Phui (China) Technomaterial Co., Ltd.

Tel: +86-512-52298536

Fax: +86-512-52298406

Email: chris@yiehphuichina.com

YPC has appointed Mr. Jay Y. Nee of Appleton Luff Pte Ltd as its representative in this proceeding. Please see Attachment 1 for a copy of the power of attorney. The following is Mr. Nee's contact information:

Name: Jay Y. Nee

Position: Partner

Company: Appleton Luff Pte Ltd

Address: One Raffles Quay, Level 25, North Tower, Singapore 048583

Tel: +65-69339545

Fax: +65-67250803

Email: nee@appletonluff.com

3. Name other parties supporting this application.

This application is supported by [REDACTED].

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).

YPC is a producer and exporter of zinc coated (galvanized) steel to Australia. YPC is seeking a review of anti-dumping measure imposed on its galvanized steel shipped to Australia.

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

- tariff classification

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

- the countries or companies

On 5 September 2012, a dumping investigation into zinc coated (galvanised) steel exported from China, Korea and Taiwan was initiated following an application by BlueScope Steel Limited ("BlueScope"). The investigation, as outline in International Trade Remedies Branch Report 190 (REP190), YPC was found to have a dumping margin of 6.8% for galvanised steel.

The Attorney-General (the decision maker at that time) imposed interim dumping duty on the galvanised steel exported from China, Korea and Taiwan on 5 August 2013. Notice of the Attorney-General's decision was given in Anti-Dumping Notice No. 2013/66. Please see Attachment 2 for a copy of the AND 2013/66 showing the anti-dumping measure applied to the countries and companies for galvanised steel.

- specified date of publication of the measure

The notice advising of the application of anti-dumping duty was published in the Australian and the Commonwealth Gazette on 5 August 2013.

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.

The parties likely to have an interest in this matter include the Australian manufacturer BlueScope and an Australian customer. The contact information of BlueScope is as follows:

Contact Name: Alan Fibbs

Company and position: Development Manager – International Trade Affairs

Address: Five Islands Road, Port Kembla, NSW 2500

Tel: (02) 4275 3859

Fax: (02) 4275 7810

Email: Alan.Gibbs@bluescopesteel.com

The contact information of [REDACTED] is as follow:

Contact Name: [REDACTED]

Company and position: [REDACTED]

Address: [REDACTED]

Tel: [REDACTED]

Fax: [REDACTED]

**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 factor YPC wishes to have reviewed is the normal value. It is also YPC's position that the appropriate period of review for this proceeding should be from 1 July 2015 through 30 June 2016.

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

In the original investigation, a particular market situation was found to exist in relation to domestic sales of galvanized steel exported to Australia from China rendering domestic prices of those goods unsuitable for determining the normal value for YPC. Thus, in REP 190, the normal value for YPC's galvanized steel exported to Australia was constructed by using YPC's weighted average data of cost to make and sell (revised for raw material cost uplift), by product model, and an amount for profit based on domestic sales of like goods sold in the ordinary course of trade, with certain adjustments made to ensure fair comparison.

Hot-rolled steel coil is the major raw material feed for the production of galvanized steel. Since the anti-dumping measure became effective as a result of REP 190, the price of hot-rolled steel coils has declined substantially. During the period of investigation ("POI") of the original investigation, YPC's per-unit purchase cost of hot-rolled steel coils was approximately [REDACTED] RMB/MT. However, in June 2016, the average per-unit purchase price of hot-rolled steel coils was merely about [REDACTED] RMB/MT, a level of change amounting to approximately 40%. Given that the raw material costs account for at least 70% of the total costs for finished galvanized steel coils, the overall cost of production is estimate to decline for about 40% as well. In [Attachment 3](#), please find a spreadsheet showing the average purchase price of hot-rolled steel coils during the POI of the original investigation, which YPC submitted in that investigation. Please also see [Attachment 4](#) for a spreadsheet showing YPC's purchases of hot-rolled steel coils in June 2016.

The price fall of hot-rolled steel coils since the imposition of anti-dumping duty measure as a result of REP 190 is not a China-specific phenomenon but a world-wide one. In [Attachment 5](#), please see a graph showing the price trend of hot-rolled steel coils in East Asia from year 2011 through 2016. As demonstrated by [Attachment 4](#), the average import price of hot-rolled steel in East Asia in year 2012 was about 600 USD/MT, and the average import price has dropped to approximately 350-400 USD/MT in year 2016, a change of approximately 33% to 40%.

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

In our opinion, the world-wide oversupply of upstream raw materials and steel products is the cause of the price change mentioned above. The global oversupply of steel is likely to persist because the excessive production capacities of steel in major steel production countries are unlikely to be resolved anytime soon. In addition, given that the global

demand of steel remains weak due to the uncertainty of global economy, the unbalanced supply and demand of steel products is likely to persist. At last, the recent rally of steel prices happened since late Q1 2016 was mainly triggered by hot money for speculation on commodities rather than by any meaningful change to the supply or demand of steel, and thus, would not last long.

**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 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.

Attachment 1



POWER OF ATTORNEY

I, Chris Po-Shun-Chiu, being the Deputy General Manager of International Marketing & Sales Division of Yieh Phui (China) Technomaterial Co., Ltd. ("YPC"), hereby confirm that Mr. Jay Y. Nee of Appleton Luff Pte Ltd is authorized to act on behalf of YPC and to represent it before the Anti-dumping Commission of the Australian government in the anti-dumping reviews concerning Zinc Coated (Galvanized) Steel and Aluminium Zinc Coated Steel from China. I also confirm that Mr. Jay Y. Nee is authorized to receive from or discuss with the Australian Anti-dumping Commission confidential materials relating to YPC. The following is Mr. Nee's contact information:

Name: Jay Y. Nee
Organization: Appleton Luff Pte Ltd
Address: One Raffles Quay, Level 25, North Tower, Singapore 048583
Telephone: +65-6519-2083
Fax: +65-6725-0803
Email: nee@appletonluff.com

Signed: _____
Chris Po-Shun Chiu

Date: 8 September 2016

Attachment 2

ANTI-DUMPING NOTICE NO. 2013/66**Zinc coated (Galvanised) steel and Aluminum zinc coated steel
Exported from the People's Republic of China, the Republic of
Korea and Taiwan****Findings in relation to dumping and subsidisation
investigations*****Customs Act 1901 – Part XVB***

The Anti-Dumping Commission (the Commission) has completed its investigations into:

- (i) the alleged dumping of zinc coated (galvanised) steel and aluminium zinc coated steel ("the goods"), exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea) and Taiwan, the investigation of which commenced on 5 September 2012; and
- (ii) the alleged subsidisation of galvanised steel and aluminium zinc coated steel exported to Australia from China, the investigation of which commenced on 26 November 2012.

Galvanised steel is currently classified to tariff subheadings 7210.49.00 (statistical codes 55, 56, 57 and 58) and 7212.30.00 (statistical code 61) in Schedule 3 of the *Customs Tariff Act 1995*. Aluminium zinc coated steel is currently classified to tariff subheading 7210.61.00 (statistical codes 60, 61 and 62).

A full description of the goods is available in Australian Customs Dumping Notice (ACDN) No. 2012/40 (relating to the initiation) and ACDN No. 2012/62 (relating to the clarification of the goods). These ACDNs are available at the Commission's website www.adcommission.gov.au.

The Commission reported its findings and recommendations to the Attorney-General in International Trade Remedies Report Nos. 190 and 193 (REP 190 and REP 193), which outlines the investigations carried out by the Commission and recommends the publication of a dumping duty notice and a countervailing duty notice in respect of the goods. The Attorney-General has considered REP 190 and REP 193 and has accepted the Commission's recommendations and reasons for the recommendations, including all material findings of fact or law on which the Commission's recommendations were based, and particulars of the evidence relied on to support the findings.

Notice of the Attorney-General's decision was published in *The Australian* newspaper and the *Commonwealth of Australia Gazette* on 5 August 2013.

Terminations

On 26 April 2013, the Commission terminated its dumping investigation into:

- galvanised steel and aluminium zinc coated steel exported from Korea by Union Steel Co., Ltd (Union Steel Korea);
- galvanised steel and aluminium zinc coated steel exported from Taiwan by Sheng Yu Co., Ltd (Sheng Yu); and
- galvanised steel exporter from Taiwan by Ta Fong Steel Co., Ltd (Ta Fong).

Termination Report No. 190A (TER 190A) sets out the reasons for these terminations. This report is available on the Commission's public record.

On 2 May 2013, the Commission terminated its dumping investigation into aluminium zinc coated steel exported from Taiwan. Termination Report No. 190B (TER 190B) sets out the reasons for this termination. This report is available on the Commission's public record.

On 17 June 2013, the Commission terminated its countervailing investigation into:

- galvanised steel exported by Angang Steel Company Limited (ANSTEEL) and ANSC TKS Galvanising Co., Ltd (TAGAL); and
- aluminium zinc coated steel exported by ANSTEEL,

Termination Report No. 193(i) (TER 193(i)) sets out the reasons for these terminations. This report is available on the Commission's public record.

Exemptions

The Attorney-General has considered REP 190 and REP 193 and accepted the Commission's recommendation to grant exemptions from dumping duty and countervailing duty for certain goods.

All goods meeting at least one of the descriptions for Tariff Concession Orders (TCOs) that are currently in force are eligible for an exemption from dumping duty under Ministerial Exemption Instrument No. 1 of 2013 and from countervailing duty under Ministerial Exemption Instrument No. 2 of 2013. Copies of these exemption instruments are available on the Commission's website.

If importers believe that goods they are importing are eligible for exemption under the abovementioned exemption instruments, when they or their broker enter the goods for home consumption via the integrated cargo system the exemption category 'GOODS' should be selected and no dumping or countervailing duties will be applied to the shipment.

The decision to grant the exemptions outlined above does not prevent further applications for exemptions being considered. Where a party has a legitimate claim that it is unable to source its products from the Australian market because they are not produced here, or that they are unable to source the products under certain trade conditions, they may apply for an exemption from the imposed measures. This involves writing a request to the

Commission outlining the details of the product an exemption is sought for, together with information as to why the exemption is being sought, including details of any quotes/correspondence obtained from the Australian industry when supply of products is an issue. Part of the inquiry process will then involve contacting the Australian industry to obtain its input before a recommendation is made.

Parties seeking an exemption should contact the Commission on 1300 884 159 for further information or by email clientsupport@adcommission.gov.au.

Imposed measures

In REP 190 Customs and Border Protection found that:

- galvanised steel exported from China, Korea and Taiwan to Australia was dumped with margins ranging from 2.6% to 62.9%;
- aluminium zinc coated steel exported from China and Korea to Australia was dumped with margins ranging from 5.5% to 19.3%;
- the dumped exports caused material injury to the Australian industry producing like goods; and
- continued dumping may cause further material injury to the Australian industry.

In REP 193, Customs and Border Protection found that:

- galvanised steel exported from China to Australia was subsidised with margins ranging from 5.2% to 22.8%;
- aluminium zinc coated steel exported from China to Australia was subsidised with margins ranging from 5.0% to 21.7%;
- the dumped and subsidised exports from China caused material injury to the Australian industry producing like goods; and
- continued dumping and subsidisation may cause further material injury to the Australian industry.

Particulars of the dumping and subsidy margins established for each of the exporters and the effective rates of duty are set out in the following table. The dumping duty that has been determined is an amount worked out in accordance with the combination of fixed and variable duty method.

Galvanised steel

Country	Exporter	Dumping Margin	Method to establish dumping margin	Countervailable subsidy program/s*	Subsidy Margin	Effective Rate of Duty*
China	Angang Steel Co., Ltd	20.1%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in terms of ss. 269TACB(2)(a) of the <i>Customs Act 1901</i> .	N/A	N/A	20.1%
	Ansc-Tks Galvanizing Co., Ltd (TAGAL)	32.7%		N/A	N/A	32.7%
	Wuhan Iron and Steel Co., Ltd	18.5%		3, 5, 11-13, 15, 17-19, 22, 28-31, 33-35	12.5%	21.6%
	Yieh Phui (China) Technomaterial Co., Ltd	6.8%		1, 11	5.2%	6.8%
	All other exporters	62.9%		1-3, 5, 9, 11-36	22.8%	69.9%
Korea	Dongbu Steel Co., Ltd	3.2%		N/A	N/A	3.2%
	POSCO	9.1%		N/A	N/A	9.1%
	Union Steel Co., Ltd	<2%		N/A	N/A	N/A
	All other exporters	28.5%		N/A	N/A	28.5%
Taiwan	Chung Hung Steel Corporation	8.5%		N/A	N/A	8.5%
	Sheng Yu Steel Co., Ltd	<2%		N/A	N/A	N/A
	Yieh Phui Enterprise Co., Ltd	2.6%		N/A	N/A	2.6%
	Ta Fong Steel Co., Ltd	<2%		N/A	N/A	N/A
	All other exporters	8.6%		N/A	N/A	8.6%

Aluminium zinc coated steel

Country	Exporter	Dumping Margin	Method to establish dumping margin	Countervailable subsidy program/s*	Subsidy Margin	Effective Rate of Duty*
China	Angang Steel Co., Ltd	5.8%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in terms of ss. 269TACB(2)(a) of the <i>Customs Act 1901</i> .	N/A	N/A	5.8%
	Union Steel China Co., Ltd	8.6%		1, 11, 35	7.9%	9.0%
	Yieh Phui (China) Technomaterial Co., Ltd	5.5%		1, 11	5.0%	5.5%
	Jiangyin Zong Cheng Steel Co., Ltd	18.1%		1, 11	10.3%	18.1%
	All other exporters	19.3%		1-2, 5, 9, 11-31, 33, 35-36	21.7%	29.5%
Korea	Dongbu Steel Co., Ltd	5.8%		N/A	N/A	5.8%
	Union Steel Co., Ltd	<2%		N/A	N/A	N/A
	All other exporters	7.7%		N/A	N/A	7.7%

* The calculation of combined dumping and countervailing duties is not simply a matter of adding the dumping and subsidy margins together for any given exporter, or group of exporters. Rather, the collective interim dumping duty and interim countervailing duty imposed in relation to the goods, is the sum of:

- the subsidy rate calculated for all countervailable programs, and
- the dumping rates calculated, less an amount for the subsidy rate applying to Programs 1 to 3.

The normal value is the operative measure for all exporters from Korea and Taiwan and for all cooperating exporters from China. The lesser duty rule is therefore not in effect and duty has been imposed at the full level of dumping and subsidisation for these exporters.

The non-injurious price (NIP) is the operative measure in relation to exports by all exporters from China other than Angang Steel Co., Ltd, TAGAL, Wuhan Iron and Steel Co., Ltd, Union Steel China Co., Ltd, Yieh Phui (China) Technomaterial Co., Ltd and Jiangyin Zong Cheng Steel Co., Ltd. The lesser duty rule has taken effect to reduce the duties to a level sufficient to remove the injury caused by dumping and subsidisation.

Measures apply to goods that are exported to Australia after publication of the Minister's notice.

The actual duty liability may be higher than the effective rate of duty due to a number of factors. Affected parties should contact the Commission on 1300 884 159 or at clientsupport@adcommission.gov.au for further information regarding the actual duty liability calculation in their particular circumstance.

Any dumping securities that have been taken on and from 6 February 2013, will be converted to interim dumping duty.¹ Securities will not be converted for imports of goods for which the Minister has granted an exemption from interim dumping duty. Importers will be contacted by the Regional Securities Officer in their respective capital city detailing the required conversion action for each security taken.

To preserve confidentiality, the export price, normal value and non-injurious price applicable to the goods will not be published. Bona fide importers of the goods can obtain details of the rates from the Dumping Liaison Officer in their respective capital city.

Clarification about how measures are applied to 'goods on the water' is available in ACDN 2012/34, available at the Commission website.

Interested parties may seek a review of this decision by lodging an application with the Anti-Dumping Review Panel in accordance with the requirements in Division 9 of Part XVB of the Act within 30 days of the publication of the Attorney General's notice.

REP 190, REP 193 and Termination Report Nos. 190A, 190B and 193(i) have been placed on the Commission's public record, available at www.adcommission.gov.au. Alternatively, the public record may be examined by contacting the Case Manager on the details provided below.

¹ Within the time limitations of section 45 of the Customs Act 1901 (the Act).

Enquiries about this notice may be directed to the case manager on 02 6275 5649, fax number 1300 882 506 or operations2@adcommission.gov.au .

Paul Benussi
Acting National Manager Operations
Anti-Dumping Commission

5 August 2013

Attachment 3

**DOCUMENT(S) INCAPABLE OF
SUMMARY**

Attachment 4

**DOCUMENT(S) INCAPABLE OF
SUMMARY**

Attachment 5

**DOCUMENT(S) INCAPABLE OF
SUMMARY**