



QUESTIONNAIRE - RESPONSE TO APPLICATION FOR EXEMPTION FROM DUTY UNDER THE CUSTOMS TARIFF (ANTI-DUMPING) ACT 1975

EXEMPTION INQUIRY EX0019

1 Introduction

The Anti-Dumping Commission (the Commission) has received an application from Adsteel Brokers Pty Ltd (Adsteel) for an exemption from anti-dumping and countervailing measures under the *Customs Tariff (Anti-Dumping) Act 1975* (the Dumping Duty Act), in respect of certain hot rolled plate steel (plate steel) exported to Australia from the People's Republic of China (China), the Republic of Indonesia, Japan and the Republic of Korea (Korea).

Following receipt of this application, the Anti-Dumping Commissioner has initiated an exemption inquiry number EX0019.

The Commission has at the same time received a second exemption application from Adsteel, the Commission considers the nature of goods subject to these exemption applications to be sufficiently distinct to warrant separate exemption inquiries which will be run concurrently. The respectively exemption inquiries are outlined below:

- EX0018 refers to the exemption sought in respect of plate steel specified by Japanese Industry Standard (JIS) G4051-S45C, (the applicant has identified the Australian Standard that most closely matches JIS G4051-S45C as AS3678/K1042) with a thickness greater than 100mm.
- EX0019 refers to the exemption sought in respect of plate steel specified to the ASTM International A516-70 standard (the applicant asserts that ASTM International A516 standard correlates to Australian Industry Standard AS1548) with a thickness of a 100mm or greater.

Please ensure your response to this questionnaire is only in respect of the goods subject to exemption inquiry EX0019.

Sections 8(7)(b) and 10(8)(a) of the Dumping Duty Act allow the relevant Minister¹ to exercise a discretion to exempt certain goods from anti-dumping measures, where he or she is satisfied that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions, having regard to the custom and usage of trade.

¹ The Minister for Industry has delegated responsibility for anti-dumping matters to the Parliamentary Secretary to the Minister for Industry.

You have been identified as an Australian producer of plate steel. Consequently, the Commission seeks your assistance in this exemption inquiry by responding to this questionnaire. The Commission will use the information you provide in its assessment as to whether an exemption from interim dumping and countervailing duties should be recommended to the Parliamentary Secretary.

2 Current Plate Steel Measures

In December 2013, the Commission completed an investigation into the alleged dumping and subsidisation of plate steel exported to Australia from China, Indonesia, Japan, Korea and Taiwan.

The goods subject to this investigation (and later measures – see below) are;

flat rolled products of:

- *iron;*
- *non-alloy steel; or*
- *non-heat treated alloy steel of a kind commonly referred to as Quench and Tempered (Q&T) Green Feed;*

of a width greater than 600mm, with a thickness equal to or greater than 4.75mm, not further worked than hot rolled, not in coils, with or without patterns in relief.

Goods excluded from the investigation are:

- *250 megapascal (MPa) yield strength grades of plate steel with a thickness greater than 150mm;*
- *350 MPa yield strength grades of plate steel with a thickness greater than 100mm;*
- *Q & T Green Feed grades of plate steel with a thickness greater than 105mm; and*
- *heat treated Q & T grades of plate steel.*

The Minister for Industry accepted the Commission's recommendations that certain plate steel from China, Indonesia, Japan and Korea had been dumped and/or subsidised and that dumping and subsidisation had caused material injury to the Australian industry.

A dumping and countervailing duty notice were published notifying of this decision on 19 December 2013. Anti-Dumping Notice (ADN) No. 2013/72 contains details of the measures.

The reasons for the Minister's decision in this case are contained in the Commission's Final Report No.198 (REP 198).

3 The goods subject to the exemption application - EX0019

The goods subject to this application for exemption are:

plate steel specified to the ASTM International A516-70 standard (the applicant asserts that ASTM International A516 standard correlates to Australian Industry Standard AS1548) with a thickness of a 100mm or greater.

This forms a sub-set of the above goods subject to measures.

The goods described here are distinct from the goods subject to exemption inquiry EX0018, being goods categorised to a different standard, please submit a separate questionnaire response in respect of this inquiry.

4 Exemption Provisions

The Dumping Duty Act allows the relevant Minister (or his delegate) to exercise his or her discretion to exempt goods from dumping and/or countervailing duties in certain circumstances, including the following.

Section 8

(7) The Minister may, by notice in writing, exempt goods from interim dumping duty and dumping duty if he or she is satisfied:

(a) that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions having regard to the custom and usage of trade;

Section 10

(8) The Minister may, by notice in writing, exempt goods from interim countervailing duty or countervailing duty if he or she is satisfied:

(a) that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions having regard to the custom and usage of trade;

It is noted at the outset that these exemption provisions are subject to the discretion of the Minister and are not automatically granted where the criteria set out in the provision appear to be met.

5 Claims made in the application - EX0019

The following is a summary of the applicant's claims and information provided to the Commission.

In its application Adsteel claims that BlueScope Steel Limited (BlueScope), the only Australian producer of the goods in question, does not offer plate steel made to the specification ASTM International A516-70 (Adsteel asserts that this standard correlates to Australian Industry Standard AS1548) with a thickness greater than 100mm.

Adsteel has supplied BlueScope datasheets for BlueScope's Xlerplate product range for the following specifications and grades;

- AS1548-PT430T (L0),
- SA/AS1548-PT460N (L20, L40),
- SA/AS1548-PT460NR (L0, L20),
- SA/AS1548-PT460NRA (L0, L20),
- AS1548-PT460T (L20, L40, L50),
- SA/AS1548-PT490N (L20, L40, L50),
- SA/AS1548-PT490NR (L0, L40, L50),
- AS1548-PT490T (L20, L40, L50) and

- AS1548-PT540T (L20)

which displays the thickness ranges offered for each grade/specification to substantiate its claim that BlueScope does not offer plate steel to this specification with a thickness greater than 100mm.

A non-confidential version of the exemption application is available on the Commission's Public Record.

6 Instructions on completing this 'Response to the Exemption Application'

The Commission's plate steel investigation, completed in December 2013, identified BlueScope as the only Australian producer of plate steel.

Consequently, the Commission has forwarded you this 'response to exemption application' (the Response) to provide you with the opportunity to participate in this exemption inquiry.

The Commission will use the information provided by Australian producers to determine:

- whether like or directly competitive goods are offered for sale in Australia, and
- whether offers for sale of the goods are available to all purchasers on equal terms under like conditions having regard to custom and usage of trade.

Due date for response

Australian manufacturers are requested to complete the Response and return it to the Commission by **2 May 2014**.

Responses may be lodged either by mail or by email to the following.

Director Operations 4
Anti-Dumping Commission
Customs House
1010 La Trobe Street
Docklands VIC 3008
Australia

Email: operations4@customs.gov.au
Fax: +61 3 9244 8902

Verification of the information that you supply

The Commission may seek to verify some or all of the information supplied in the Response. The Commission may request evidence to support the claims such as quotations and offers of sale. An onsite visit by the Commission may be required in some cases. A report will be prepared of visits conducted and a non-confidential version will be placed on the public record.

There is no legislative timeframe for completion of an exemption inquiry, however a recommendation to the Parliamentary Secretary to the Minister for Industry will be

made as soon as practicable after obtaining all the relevant information.

Confidential and non-confidential submissions

You are required to lodge a non-confidential version of your response suitable for placement on the public record by the due date.

Please ensure that each page of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests; or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "For Official Use Only".

Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above (clearly marked "PUBLIC RECORD").

The non-confidential version of your submission will be placed on the public record.

Outline of information required by the Response

Part A	Company contact information
Part B	Identical goods
Part C	Like or directly competitive goods
Part D	Capability to produce like or directly competitive goods
Part E	Additional comments
Part F	Your declaration

RESPONSE TO THE EXEMPTION APPLICATION

PART A - Company Information

A.1 Please provide the following company contact information;

Name:	Alan Gibbs
Position in company:	Development Manager – International Trade Affairs
Address:	Five Islands Road Port Kembla NSW
Telephone:	02 42753859 / 0419427730
Facsimile number:	
E-mail address of contact person:	alan.gibbs@bluescopesteel.com

PART B – Response to Exemption Application

BlueScope steel opposes and does not consent to part of this request for exemption.

BlueScope steel would not oppose an exemption request for AS1548-PT490N or ASTM A516 Grade 70 =>105mm thick

B.1

Does your company oppose the exemption application wholly or in part?

In Part

If your company opposes or does not support the request for exemption wholly or in part, provide a description of that part of the request to which your company opposes or does not support.

BlueScope steel produces and can accept orders for AS 1548-PT490N as a direct alternative/substitutable product to ASTM A516 Grade 70 up to and including 105mm.

(per past exemption request responses, BlueScope steel can produce ASTM A516 Grade 70 up to 76mm, and all requirements of this grade up to and including 105mm can be supplied as the equivalent AS/NZS 1548 –PT490N product.)

PART C - Identical Goods

C.1

Does your company produce, in Australia, goods that are identical in all respects to the goods described in section 3 of this 'Response to Exemption Form'?

Yes – see B.1 above

If no, go to Part D - Like or directly competitive goods.

C.2

Please provide evidence that you have produced and sold in Australia, in the last 12 months, goods that are identical in all respects to the goods subject to this application for exemption.

Evidence can be in the form of production reports and sales invoices. To the extent that production reports or sales invoices do not refer to the goods in the same detail as set out in the description of the goods (section 3), please provide additional information that indicates that identical goods have been produced or sold. The evidence should be attached to this form to ensure that it can be linked to this specific response. Please also include any available product literature with respect to the identical goods you have produced and sold.

C.3

Provide evidence of the terms and conditions of sale of these identical goods. Are these products available to all purchasers on equal terms under like conditions? If so, provide evidence and explain why you consider that these products are available to all purchasers on equal terms under like conditions.

Evidence can be in the form of sales invoices, sales contracts, sales reports or advertisements and brochures.

PART D - Like or Directly Competitive Goods

D.1

If your company does not produce identical goods, does it produce and sell in Australia goods that are like or directly competitive to the goods subject to this application for exemption?

In determining whether the goods are like or directly competitive, the Commission will consider whether the goods have characteristics closely resembling each other and are substitutable.

The Commission may also consider;

1. physical characteristics – whether the goods are similar (including size, weight, shape, content, appearance, grade, standards, age, strength and purity);
2. commercial likeness – this may include consideration of the following;
 - a. whether the goods directly compete in the same market sector;
 - b. the extent to which participants in the supply chain are willing to switch between the goods and the goods subject to the application for exemption;
 - c. how the price of the goods and goods subject to the application influences consumption;
 - d. whether the goods share similar distribution channels; and

- e. whether the goods are similarly packaged.
3. functional likeness – whether the goods are suitable with regard to end use, this may include an assessment of;
 - a. the extent to which the goods are functionally substitutable;
 - b. the extent to which the goods are capable of performing the same or similar function;
 - c. whether the goods have the same or similar quality standards; and
 - d. consumer behavior in relation to the goods and goods subject to this application for exemption.
 4. production likeness – this may include an assessment of;
 - a. the extent to which the goods are constructed of the same or similar materials;
 - b. the manufacturing process of the goods; and
 - c. whether any patented processes or inputs are involved in the production of the goods.

D.2

If you answered yes to question D.1, please provide a description of the goods produced by your company that you consider to be like or directly competitive to the goods subject to this application. Your description of the goods your company produces should refer to all aspects of the goods as set out in the description of the goods in section 3.

Characteristics	Description

Please provide evidence that the goods you consider like or directly competitive to the goods subject to this application for exemption have recently been produced or sold in Australia by your company.

Evidence can be in the form of production reports and sales invoices. To the extent that production reports or sales invoices do not refer to the goods described in the above table, please provide additional information that indicates that the goods have been produced or sold. The evidence should be attached to this form to ensure that it can be linked to this specific response. Please also include any available product literature concerning the like or directly competitive goods you produced and sold.

D.3

Provide evidence of the terms and conditions of sale of these like or directly competitive products. Are these products available to all purchasers on equal terms under like conditions? If so, provide evidence and explain why you consider that these products are available to all purchasers on equal terms under like conditions.

Evidence can be in the form of sales invoices, sales contracts, sales reports or advertisements and brochures.

PART E – Capability to Produce Identical or Like or Directly Products

E.1

If your company has not produced and sold in Australia products that are identical to, or like or directly competitive to the goods subject to this application for exemption, is your company capable of producing such goods?

E.2

If you answered yes to question E.1, indicate whether the product that you can produce is identical to, or like or directly competitive to the goods subject to this application for exemption.

E.3

If you are capable of producing identical, like or directly competitive goods, explain why you have not produced such goods.

Provide evidence of your production capability, including evidence of the production and sale of similar products, certification of the identical, like or directly competitive goods and at what cost they could be produced, as well as any plans for the imminent production of the goods or orders for the goods and any relevant information.

E.4

If you are capable of producing identical, like or directly competitive goods, provide reasonable evidence of likely terms and conditions of sale for these goods.

PART F – Additional Comments

F.1

Provide any additional comments including any other information that will assist the Commission in reaching a recommendation to the Parliamentary Secretary regarding this exemption application.

PART G - Declaration

I hereby declare that BlueScope steel has completed the attached response to application for exemption and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name **Alan Gibbs**

Signature 

Position in Company **Development Mgr International Trade Affairs**

Date **30th April 2014**