

AUSTRALIAN CUSTOMS DUMPING NOTICE NO. 2012/40

Zinc Coated (Galvanised) Steel and Aluminium Zinc Coated Steel

Exported from the People's Republic of China, the Republic of Korea and Taiwan

Initiation of investigations into alleged dumping

The Chief Executive Officer (CEO) of the Australian Customs and Border Protection Service (Customs and Border Protection) has initiated investigations following separate applications lodged by BlueScope Steel Limited, a manufacturer of zinc coated (galvanised) steel and aluminium zinc coated steel (the goods) in Australia. The applications request the publication of dumping duty notices in respect of the goods exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea) and Taiwan.

The applications allege that the goods have been exported to Australia at prices less than their normal value. The applications claim that dumped exports have caused material injury to the Australian industry through:

- loss of sales volume;
- reduced market share;
- reduced revenues;
- price undercutting
- price depression:
- price suppression;
- · reduced profits;
- reduced profitability:
- reduced return on investment;
- · reduced ability to raise capital for re-investment; and
- reduced employment.

The non-confidential versions of the applications, available on the public record, contain the basis of the alleged dumping claims.

A notice under subsection 269TC(4) of the *Customs Act 1901* advising initiation of the investigations was published in *The Australian* newspaper on 5 September 2012.

The goods

Galvanised steel

The imported goods the subject of the *Galvanised Steel Application* are:

"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"

The goods the subject of this application are generically called galvanised steel (referring to zinc coated steel).

Galvanised steel is classified to tariff subheadings 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* (Tariff Act).

Aluminium zinc coated steel

The imported goods the subject of the *Aluminium Zinc Coated Steel Application* are:

"flat rolled products of iron and non-alloy steel of a width equal to or greater than 600mm, plated or coated with <u>aluminium-zinc</u> alloys, **not painted** whether or not including resin coating".

The goods the subject of this application are generically called aluminium zinc coated steel.

Aluminium zinc coated steel is classified to tariff subheading 7210.61.00 (statistical codes 60, 61, and 62) of Schedule 3 to the Tariff Act.

Both products

Based on the information provided in the applications, Customs and Border Protection's Trade Policy Branch confirmed that the goods are correctly classified to these tariff subheadings.

The general rate of duty is currently 5% for goods imported under the relevant tariff subheadings. Imports from China are subject to the DCS duty rate which is free. Imports from Korea and Taiwan are subject to the DCT duty rate which is 5%.

Investigation process

The investigation period is 1 July 2011 to 30 June 2012. Customs and Border Protection will examine exports to Australia of the goods during that period to determine whether dumping has occurred. Customs and Border Protection will examine details of the Australian market from 1 July 2007 for injury analysis.

Where the Minister for Home Affairs is satisfied, as to goods of any kind, that:

- (a) the amount of the export price of the goods that have already been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

the Minister may, by public notice, impose interim dumping duties.

Lodgement of submissions

Interested parties are invited to lodge submissions concerning the publication of the dumping duty notices sought in the applications <u>no later than the close of business on Monday 15 October 2012</u>, addressed to:

Director Operations 2 International Trade Remedies Branch Australian Customs and Border Protection Service Customs House 5 Constitution Avenue CANBERRA ACT 2601

Or by email: itrops2@customs.gov.au

Interested parties wishing to participate in the investigations must ensure that submissions are lodged promptly. Interested parties should note that the CEO is not obliged to have regard to a submission received by Customs and Border Protection after the end of the period mentioned above if to do so would, in the CEO's opinion, prevent the timely placement of the statement of essential facts (SEF) on the public record.

Interested parties may reply to matters raised by other parties during the course of the investigations and in response to the SEF.

The CEO must maintain a public record of each inquiry. The public record must contain, among other things, a copy of all submissions from interested parties (letters and electronic mail are generally regarded as "submissions" if they contain information relevant to the inquiry).

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:

- 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
- satisfy the CEO 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. In either case, interested parties must provide two copies of each for the public record.

Documents included in the public record are available at http://www.customs.gov.au/anti-dumping/cases.asp

Alternatively, the public record may be examined at the office address below during business hours by contacting International Trade Remedies Branch on (02) 6275 6828.

International Trade Remedies Branch Customs House 5 Constitution Avenue CANBERRA ACT 2601

Provisional measures

A preliminary affirmative determination may be made not earlier than 60 days after the date of initiation provided that there appears to be sufficient grounds for the publication of a dumping duty notice. In accordance with section 269TD of the Act, provisional measures, in the form of securities in respect of interim dumping duty that may become payable on the goods, may be imposed where a preliminary affirmative determination has been made.

Statement of essential facts

The dates specified in this notice for lodging submissions must be observed to enable Customs and Border Protection to report to the Minister within the legislative timeframe. A SEF will be placed on the public record by <u>24 December 2012</u>, or by such later date as the Minister may allow in accordance with section 269ZHI of the Act. The statement will set out the essential

facts on which the CEO proposes to base a recommendation to the Minister. That statement will invite interested parties to respond to the issues raised within 20 days of the statement being placed on the public record.

Report to the Minister

Submissions received in response to the statement will be taken into account in completing the report and recommendation to the Minister. A recommendation to the Minister will be made in a report on or before 7 February 2013 (or such later date as the Minister may allow), unless the CEO terminates the investigations.

Review Officer

Certain parties will have the right to seek review in accordance with Division 9 of Part XVB of the Act of either a decision by the CEO to terminate the investigations, or a decision of the Minister after considering the CEO's report.

Customs and Border Protection contact

Enquiries concerning this notice may be directed to the case manager on telephone number (02) 6275 5965, fax number (02) 6275 6990 or e-mail itrops2@customs.gov.au.

Kim Farrant National Manager International Trade Remedies Branch CANBERRA ACT

5 September 2012