

8 September 2016

The Director  
Operations 3  
Anti-Dumping Commission  
GPO Box 1632  
Melbourne Victoria 3001

### Public File

Dear Sir/Madam,

### Aluminium zinc coated steel review investigations – Jiangyin Zongcheng Steel Co., and Angang Steel Company Limited

#### I. Introduction

I refer to the review investigations for aluminium zinc coated steel that commenced on 30 August 2016 for the following exporters:

- (i) Jiangying Zongcheng Steel Co., Ltd (“Zongcheng”) – Investigation No. 367; and
- (ii) Angang Steel Company Limited (“Angang”) – Investigation No. 372.

BlueScope Steel Limited (“BlueScope”) is the only Australian manufacturer of aluminium zinc coated steel. BlueScope was the applicant company that requested the anti-dumping and countervailing measures on aluminium zinc coated steel exported from China. As such, BlueScope seeks to ensure that the anti-dumping and countervailing measures continue to be effective in removing the injury that they are intended to prevent.

#### II. Fair comparison

BlueScope notes the practice of the Anti-Dumping Commission (“the Commission”) when comparing domestic and export models for determining applicable dumping margins. At Section 7.3 of the manual it is stated:

*“For normal value to be ascertained under s.269TAC(1), the Commission first examines whether there are suitable sales of like goods for home consumption in the country of export by the exporter, made in the ordinary course of trade and at arms-length over the investigation period. **Model-matching criteria will be followed in order to identify identical goods sold on the exporter’s domestic market; or absent identical goods which goods closely resemble the goods under consideration.**” (Emphasis added).*

The practice of model-matching has been an area of concern to BlueScope. The model-matching practice of exporters in past investigations has been hidden by the redaction of relevant information that details the basis for model-matching comparisons of domestic and exported goods. BlueScope requests the Commission to be vigilant in ensuring that the basis for model-matching is fully agreed prior to verification. To assist in this process, BlueScope is proposing a Product Control Number (“PCN”) System that permits the ready identification of key attributes associated with aluminium zinc coated steel grades/models produced by manufacturers/exporters.

The PCN Coding System permits the ready identification of aluminium zinc coated steel products taking account of:

- Prime/non-prime;
- Coating mass;
- Grade designation (as per applicable standards);
- Thickness (Base Metal Thickness);
- Width; and
- Form (coil or sheet).

Please refer to the attached PCN Coding System for all aluminium zinc coated steel products manufactured by BlueScope.

The adoption of the PCN coding system will permit ready model-matching comparisons to be undertaken by the Commission prior to verification visits. BlueScope will prepare all domestic sales in Appendix A4 format for aluminium zinc coated steel (as it has done so for galvanised steel) for the July 2015 to June 2016 investigation period, referenced by PCNs.

BlueScope is aware (and understands the Commission is also aware) that the use of the PCN Coding System is a current practice employed by the US Department of Commerce ("US DOC") and the European Commission ("EC") in anti-dumping investigations. The US practice involves the cooperative exporter providing the equivalent domestic sales by PCN Code for the investigation period prior to the scheduled deadline for the acceptance of all information from cooperative exporters. Any challenges to the PCN Coding System must be handled prior to the specified deadline for all requested information contained in the Exporter Questionnaire Response ("EQR"). Where information is not provided in PCN Code format, the exporter is considered 'non-cooperative'.

### III. Recommendation

BlueScope requests the Commission request that those exporters the subject of review inquiries No. 367 (Zongcheng) and 372 (Angang) prepare Appendix A4 domestic sales information in accordance with the attached PCN Coding System. The adoption of this methodology will enhance the model-matching process for the determination of dumping margins for the exported goods the subject of measures.

If you have any questions concerning this submission, please do not hesitate to contact me on (02) 4275 4638 or BlueScope's representative Mr John O'Connor on (07) 3342 1921.

Yours faithfully,



Chad Uphill  
Leader – Trade Affairs

## Aluminium-zinc alloy coated steel steel

TABLE X - PRODUCT SPECIFICATIONS

IPP Product = Prime Commercial Quality Aluminium / Zinc Alloy coated steel - Prime, Cold Rolled, AZ150 coating, Grade G300, 0.55mm thick, 1200 mm wide, Coil

Product Control Number - Coding System			
Field Number	Category		Description
1	Prime / Non Prime		Reports whether the product is prime or non-prime (secondary) product. Non prime could also be described as not meeting the intended or applicable specification.
	P	Prime	
	S	Secondary / Non Prime	
2	Coating Mass (weight)		Reports the amount of aluminium / zinc alloy coated steel coating that has been applied to the base steel. This is expressed as the total (both top and bottom sides) in grams/square metre of surface area. The designated coating mass is a guaranteed minimum value.
	1	<= 100 g/m2	
	2	>100 g/m2 to <= 165 g/m2	
	3	> 165 g/m2	
3	Grade Designation ( AS 1397 / JIS 3321 )		Reports the steel grade of aluminium / zinc alloy coated steel . The steel grade determines the guaranteed or typical mechanical properties of the product. The Australian standard AS 1397 range of steel grades are noted in bold with the equivalent Japanese standard JIS 3321 steel grades noted alongside unbolded. The G2 and G3 type grades are 'Formable' steel grades, whilst the G250 to G550 covers the range of 'Structural' steel grades. AS 1397 designates their structural grades via their minimum Yield Strength whilst the JIS 3321 designates their structural grades via their minimum Tensile Strength. All other special grades (for example as supplied to the Automotive industry /standards) will fall into the 'other' category for this investigation.
	1	<b>G2</b> / SGLCC	
	2	<b>G3</b> / SGLCD	
	3	<b>G250</b> / SGLC 340	
	4	<b>G300</b> / <b>G350</b> / SGLC 400 / SGLC 440 / SGLC 490	
	5	<b>G450</b> / <b>G500</b>	
	6	<b>G550</b> / SGLC 570	
9	Other		
4	Thickness (BMT)		Reports the Base Metal Thickness (BMT) of the substrate steel before the zinc / aluminium coating is applied. For zinc / aluminium coated steel of the same coating mass, the thinner the base metal, the more square metres per tonne and therefore more coating metal is required to be applied and higher the cost and selling price.
	1	< 0.40 mm	
	2	=> 0.40 mm to < 0.50 mm	
	3	=> 0.50 mm to < 0.75 mm	
	4	=> 0.75 mm to < 1.00 mm	
	5	=> 1.00 mm to < 2.0 mm	
5	Width		Reports the width of the aluminium / zinc alloy coated steel. In general narrow steel product requires extra processing via a slitting operation and incurs a price extra.
	1	< 600 mm	
	2	=> 600 mm	
6	Form		Reports the final shape of the aluminium / zinc alloy coated steel - either in coil form or in sheet form. Sheeted product requires extra processing via a shearing operation and incurs a price extra.
	C	Coil	
	S	Sheet	

### PCN Examples:- for equivalent AS 1397 and JIS G3321 Aluminium / Zinc Alloy coated steel products

AS 1397 Aluminium / zinc alloy coated steel - Prime, Cold Rolled, AZ150 coating, G2 grade, 1.20mm thick, 1200mm wide, Coil would have a PCN = **P2152C**

JIS G3321 Aluminium / zinc alloy coated steel - Prime, Cold Rolled, AZ150 coating, SGLCC grade, 1.20mm thick, 1200mm wide, Coil would have a PCN = **P2152C**

AS 1397 Aluminium / zinc alloy coated steel - Prime, Cold Rolled, AZ200 coating, G550 grade, 0.42mm thick, 1200mm wide, Coil would have a PCN = **P3622C**

JIS G3321 Aluminium / zinc alloy coated steel - Prime, Cold Rolled, AZ200 coating, SGLC 570 grade, 0.42mm thick, 1200mm wide, Coil would have a PCN = **P2622C**

AS 1397 Aluminium / zinc alloy coated steel - Prime, Cold Rolled, AZ150 coating, G300 grade, 0.55mm thick, 1200mm wide, Sheet - would have a PCN = **P2432S**

JIS G3321 Aluminium / zinc alloy coated steel - Prime, Cold Rolled, AZ150 coating, (SGLC 400 or SGLC 440 or SGLC 490) grade, 0.55mm thick, 1200mm wide, Sheet - would have a PCN = **P2432S**