

10 July 2015

Mr Justin Wickes
Director, Operations 9
Anti-Dumping Commission
Level 35, 55 Collins Street
MELBOURNE VICTORIA 3000

Dear Mr Wickes,

Public File

Unchromated Aluminium Zinc Coated Steel Exported from the People's Republic of China

I refer to the submission dated 29 June 2015 by Ace Gutters Coil Coaters ("Ace Gutters") concerning the Exemption Application of 20 January as relating to Unchromated Aluminium Zinc Coated steel exported from the People's Republic of China.

BlueScope Steel Limited ("BlueScope") reiterates the following, as noted in it's response to the Exemption Application.

Like / Directly Competitive Goods

The physical, commercial, functional and production likeness of Next Generation AM ZINCALUME® steel is alike to traditional AZ ZINCALUME® steel. As noted previously, the only difference between Next Generation AM ZINCALUME® steel and traditional AZ ZINCALUME® steel is the introduction of magnesium to the metallic coating.

For completeness, we have included the below table as earlier communicated in the Exemption response:

Characteristics of AZ ZINCALUME® steel	Next Generation AM ZINCALUME® steel
Steel chemistry	Identical
Steel mechanical properties	Identical
Grades offered	Identical
Aluminium / Zinc (AZ) coating	Aluminium / Zinc / Magnesium (AM) coating
Surface treatments offered	Identical
Manufacturing processes	Identical
Packaging	Identical
Market sectors served	Identical
Distribution channels	Identical
Customers	Identical
Market offer	Identical
End Uses	Identical
Meets AS/NZS 1397 and AS/NZS 1365	Identical

Ace Gutters claim that the aluminium zinc coated steel product manufactured by BlueScope is not identical / alike to the imported goods, on the basis that Ace Gutters requires an unchromated steel product.

As noted in the above table, the physical, commercial, functional and production likeness characteristics of AZ ZINCALUME® steel are alike to AM ZINCALUME® steel. BlueScope has produced over 750,000 tonnes of unchromated AM ZINCALUME® steel, as input feed for the manufacture of BlueScope's pre-painted steel products. Applications for pre-painted steel include for use within the building, construction and automotive industries, for white-good appliances, and rainwater goods.

The functional use of BlueScope's unchromated AM ZINCALUME® steel in further upstream manufacturing processes is highlighted per its sale of the goods in question to an unrelated Australian customer (refer Confidential Attachment documents provided as part of BlueScope's Exemption Application response).

Pricing

Ace Gutters claims that the offer by BlueScope to supply unchromated ZINCALUME® steel product during 2013/14 was not on commercially viable terms. BlueScope reiterates the findings of the then Australian Customs & Border Protection ("ACBP") in REP 190 'Zinc Coated (galvanised) steel and aluminium zinc coated steel from China, Korea and Taiwan'. Per page 46 of REP 190, the ACBP found that:

*"The fact that Ace Gutters and OneSteel Coil Coaters consider the price offered is too high, is not a relevant consideration in relation to an exemption pursuant to section 8(7)(a). Based on the evidence before it Customs and Border Protection considers that **BlueScope offers like goods** to all purchasers on equal terms under like conditions."* (emphasis added).

BlueScope provides the unchromated product for sale to all Australian buyers on equal terms. BlueScope has not changed its terms and conditions of sale as it relates to the sale of unchromated paint line feed (AZ up until August 2013, and AM post August 2013) into the Australian market since the REP 190 finding.

Standard AS/NZS 1397 – 2011

Ace Gutters correctly states that Standard AS/NZS 1397-2011 covers both aluminium/zinc coated, and aluminium/zinc/magnesium coated steel. The standard confirms that the end-use applications for both coating types are identical.

On the basis that the physical, commercial, functional and production likeness characteristics of AZ ZINCALUME® steel are alike to AM ZINCALUME® steel, and the end-use applications are consistent between the two, BlueScope submits that AM ZINCALUME® steel in its unchromated form is a like and directly competitive good.

If you have any questions in relation to this submission or would like to discuss further, please do not hesitate to contact me on (02) 4275 4638.

Yours sincerely



Chad Uphill
International Trade Affairs