

EXPORTER BRIEFING – PT TOYOGIRI IRON STEEL

Accelerated Review : Rebar exported from Indonesia

WEDNESDAY 25 JULY 2018



EQR INCOMPLETE

PUBLIC RECORD



As previously submitted, Liberty OneSteel considers the exporter's preparation of a summary of its response to Exporter Questionnaire suitable for the public record deficient with key information not provided.

- ▶ No information provided concerning the scope and nature of the like goods the exporter sells in the domestic Indonesian market. This affects our ability to comment on appropriate model selection for normal value calculation and the making of meaningful adjustments.

C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

Not Applicable

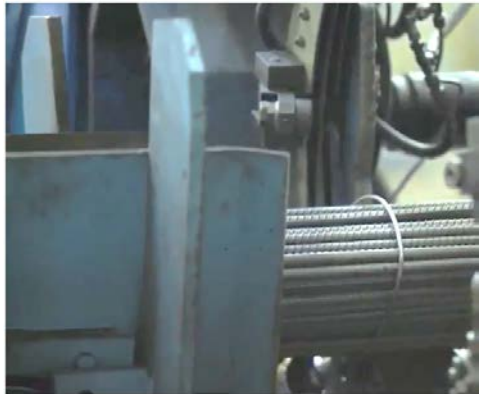
- ▶ Section E2-6 suggests third country exports yet no part of Section F has been completed.

No handling, loading or ancillary expenses are incurred for domestic sales, beyond the cost of loading the bars onto the truck. This is a cost that is borne on both domestic sales and export sales alike.

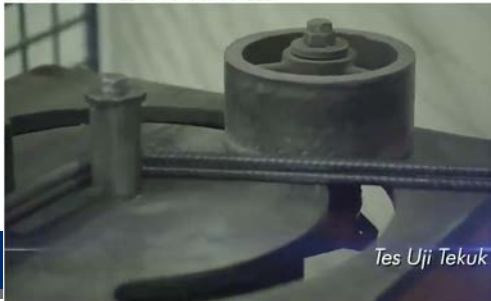
- ▶ No reference to any information having been provided in response to Section G-4 and G-6

PT TOYOGIRI – REBAR PRODUCTION

- ▶ Electric Arc Furnace Steelmaking (scrap as predominant raw material)
- ▶ Billets rolled through a bar mill (straight lengths only, no coil)
- ▶ Operation includes cut & bend (further processing)



COMPANY PROFILE PT TOYOGIRI STEEL



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PT TOYOGIRI – REBAR PRODUCTION

- ▶ Steelmaking capacity 300kt (billet)
- ▶ Rolling capacity 600kt – balance of billet purchased

PUBLIC RECORD



COMPANY PROFILE PT TOYOGIRI STEEL



COMPANY PROFILE PT TOYOGIRI STEEL

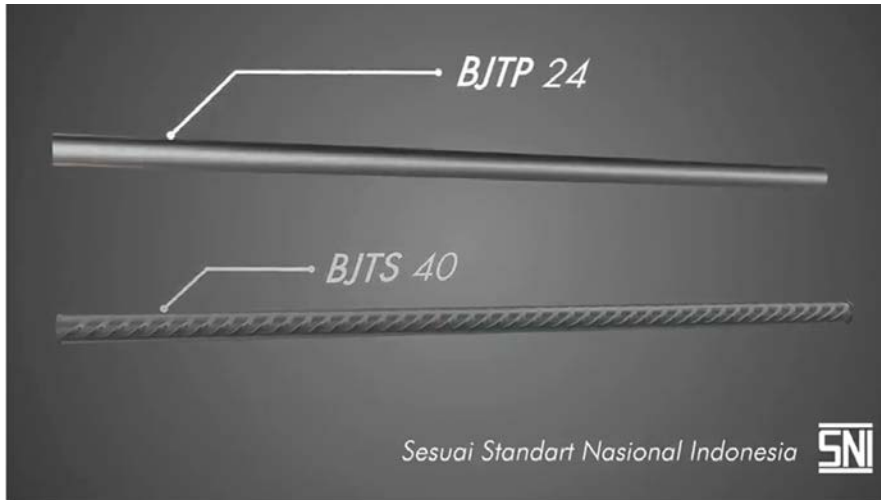
PT TOYOGIRI - PRODUCTS



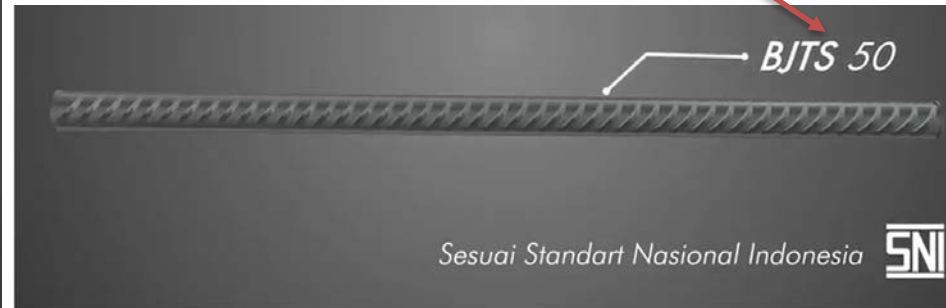
PUBLIC RECORD



- ▶ Produce (smooth) round bar along with (deformed) reinforcing bar



COMPANY PROFILE PT TOYOGIRI STEEL



COMPANY PROFILE PT TOYOGIRI STEEL

Grade considered to be the closest match to AS/NZS4671 Grade 500N they would likely export to Australia

THE GOODS

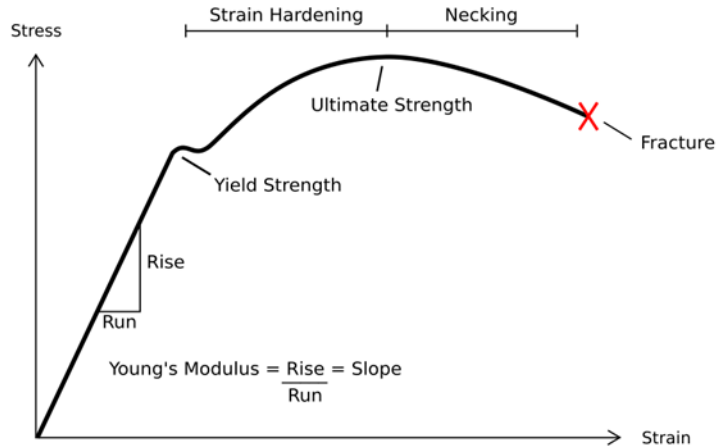
IMPORTANT PROPERTIES : YIELD STRENGTH

PUBLIC RECORD



SteelConstruction.info

The free encyclopedia for UK steel construction information



“**Product standards** define the limits for composition, quality and performance and these limits are used or presumed by structural designers.”

“**Yield strength** is the most common property that the designer will need as **it is the basis used for most of the rules given in design codes**. In European Standards for structural carbon steels, the primary designation relates to the yield strength, e.g. S355 steel is a structural steel with a specified minimum yield strength of 355 N/mm².

The **product standards** also specify the permitted range of values for the ultimate tensile strength (UTS). The minimum UTS is relevant to some aspects of design.”

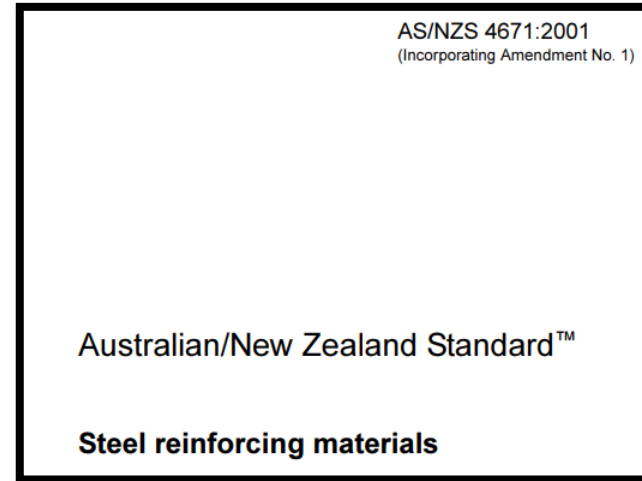
https://www.steelconstruction.info/Steel_material_properties

MODEL MATCHING : CRITERIA

- ▶ Smooth/deformed (deformed = the goods)
- ▶ Grade defined by standard, not test certificates
 - Minimum yield strength (not tensile strength)
- ▶ Size (nominal diameter)

STANDARDS COMPARISON

PUBLIC RECORD



- ▶ The Japanese Standard JIS G 3112 (2010) may also be relevant to Indonesian domestic sales
PT. Ispat Panca Putera Product Specification

These specifications are described for reinforcement steel as per SNI 07-2052-2014 and equivalent to JIS G 3112

STANDARDS COMPARISON

PUBLIC RECORD



SNI 2052:2014

Tabel 5

Kelas baja tulangan	Nomor batang uji	Uji tarik	
		Kuat luluh minimum	Kuat tarik minimum
		N/mm ² (kgf/mm ²)	N/mm ² (kgf/mm ²)
BjTP 24	No. 2	235	380
	No. 3	(24)	(39)
BjTP 30	No. 2	295	440
	No. 3	(30)	(45)
BjTS 30	No. 2	295	440
	No. 3	(30)	(45)
BjTS 35	No. 2	345	490
	No. 3	(35)	(50)
BjTS 40	No. 2	390	560
	No. 3	(40)	(57)
BjTS 50	No. 2	490	620
	No. 3	(50)	(63)

AS/NZS 4671:2001

TABLE 2

CHARACTERISTIC MECHANICAL PROPERTIES OF REINFORCING STEELS

Property	250N (Note 1)	500L (Note 2)	500N	300E (Seismic)	500E (Seismic)	Type of specified value
Yield stress (MPa)	R_{eL}	≥ 250	≥ 500	≥ 300	≥ 500	$C_{yL}: p = 0.95$
	R_{eU}	—	≤ 650	≤ 380	≤ 600	$C_{yU}: p = 0.05$

Product Specification http://www.steelindonesia.com/images/product-1/PRD0001263_GSpec.pdf

STANDARD	GRADE	CHEMICAL COMPOSITION						MECHANICAL PROPERTIES			
		C (%)	Si (%)	Mn (%)	P max (%)	S Max (%)	C+Mn/6 (%)	TS(min) (kgf/mm2)	YP(min) (kgf/mm2)	Elongation (%)	
										No.2	No.3
JIS G3112:2006	SR 235	-	-	-	0.050	0.050	-	380 to 520	235 min	20	22
	SD 295	-	-	-	0.050	0.050	-	440-600	295 min	18	19
	SD 295 A	-	-	-	0.050	0.050	-	440-600	295 min	16	17
	SD 295 B	0.27 max	0.55 max	1.50 max	0.040	0.040	-	440 min	295-390	16	17
	SD 345	0.27 max	0.55 max	1.60	0.040	0.040	0.50 max	490 min	345 to 440	18	19
	SD 390	0.29 max	0.55 max	1.80 max	0.040	0.040	0.55 max	560 min	390 to 510	16	17
	SD 490	0.32 max	0.55 max	1.80 max	0.040	0.040	0.60 max	620 min	490 to 625	12	13

- Based on minimum yield strength required : best match for Grade 500N are BjTS 50 and SD 490

STANDARDS COMPARISON

PUBLIC RECORD



- ▶ Rebar investigation 418 identified grade BjTS 50 as the closest match for Indonesia

Country	Relevant standard for rebar	Closest grade for model matching
Indonesia	SNI 07-2052:2002	BjTS 50

1. ACRS Certification **What is ACRS?**

The Australasian Certification Authority for Reinforcing and Structural Steels (“ACRS”) administers a not-for-profit, independent, expert, third-party product certification scheme certifying manufacturers and suppliers of reinforcing, prestressing and structural steels to Australian and New Zealand Standards.

SCHEDULE OF EVALUATION FEES

Certification Type	Initial Evaluation		Surveillance Evaluation	
	Excl. GST	Incl. GST ¹ (\$AUS)	Excl. GST	Incl. GST ¹ (\$AUS)
Steelmaking and rolling (Certification Stage 1)				
Bar (DBIL)/Coil (DBIC) ²	\$18,000	\$19,800	\$10,300	\$11,330



- ▶ Exporters wanting to sell rebar into Australia will likely seek ACRS certification. In the absence of an equivalent Indonesian certification body for rebar, an upward adjustment to normal value is needed.
- ▶ Adjustment has been made previously for Chinese exporters in Investigation 300

9.2.6 ACRS accreditation

We consider an upward adjustment to the constructed normal value to account for the ACRS accreditation costs associated with the export sales over the investigation period to be necessary to ensure fair comparison to the export price.

(extract from Shandong Laiwu visit report)

ADJUSTMENTS

2. Mass tolerance adjustment

- ▶ EQR at D-3 : “All sales in domestic market are made on the term of payment on theoretical weight basis (“Standar Nasional Indonesia”)”

Article assumes typical
3% rolling light

[Confidential subscription based article]

SNI 2052:2014

Tabel 4 - Toleransi berat per batang

Diameter nominal (mm)	Toleransi (%)
$6 \leq d \leq 8$	± 7
$10 \leq d \leq 14$	± 6
$16 \leq d \leq 28$	± 5
$d > 28$	± 4

- Indonesian Standard allows a range of permissible mass per meter tolerance depending on bar size
- Eg. 12mm rebar sold on theoretical weight basis can be up to 6% less than the mass ordered ie. customer receives less tonnes but product still complies with the Standard.
- Mills will tend to “roll light” when selling on theoretical weight basis
- **If export sales are based on actual weight, and domestic sales are based on theoretical weight, an upwards adjustment is required for fair comparison.**

ADJUSTMENTS

PUBLIC RECORD



3. Containerisation

- If rebar is containerised for export, the cost of containerisation represents an additional expense that does not apply to domestic sales.
- An adjustment for containerisation expense is needed to ensure fair comparison.

QUESTIONS?

