



ANTI-DUMPING NOTICE NO. 2017/112

Hollow Structural Sections

Exported to Australia from the People's Republic of China

Application for an Accelerated Review

Customs Act 1901 – Part XVB

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission (the Commission), have received an application for an accelerated review of the anti-dumping measures (in the form of dumping duty notice and a countervailing duty notice) applying to certain hollow structural sections ('HSS' or 'the goods') exported to Australia from the People's Republic of China (China), in so far as they relate to a new exporter, Sino Sources Tech Co. Ltd (Sino).

The goods

The goods the subject of the application are:

certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include in-line galvanised (ILG), pre-galvanised or hot-dipped galvanised (HDG) and non-galvanised HSS.

Sizes of the goods are, for circular products, those exceeding 21 mm up to and including 165.1 mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 1277.3 mm. Categories of HSS excluded from the goods are conveyor tube; precision RHS with a nominal thickness of less than 1.6 mm; and air heater tubes to Australian Standard (AS) 2556.

The goods are currently classified to the following tariff subheading of Schedule 3 to the *Customs Tariff Act 1995*:

- 7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36 and 37);
- 7306.61.00 (statistical codes 21, 22 and 25);

- 7306.61.00 (statistical code 90);¹
- 7306.69.00 (statistical code 10); and
- 7306.50.00 (statistical code 45).²

These tariff classifications and statistical codes may include goods that are both subject and not subject to the anti-dumping measures. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods the subject of the anti-dumping measures.

Existing measures

The anti-dumping measures were initially imposed by public notice on 3 July 2012 by the then Minister for Home Affairs following consideration of *International Trade Remedies Branch Report No. 177*. The anti-dumping measures currently apply as follows:

- the dumping duty notice applies to all exporters of HSS from China, Korea, Malaysia and Taiwan; and
- the countervailing duty notice applies to all exporters of HSS from China except Dalian Steelforce Hi-Tech Co Ltd, Huludao City Steel Pipe Industrial Co Ltd and Qingdao Xianxing Steel Pipe Co Ltd.

The anti-dumping measures on HSS exported to Australia were due to expire on 2 July 2017. Following consideration of *Anti-Dumping Commission Report No. 379*, the Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science (Parliamentary Secretary)³ on 21 June 2017 determined that the dumping duty notice and countervailing duty notice would continue in force after 2 July 2017 and that, after that date, the notices would have effect as if different variable factors had been fixed relevant to the determination of duty.

The current application

Division 6 of Part XVB of the *Customs Act 1901* (the Act) allows a new exporter to apply for an accelerated review of a dumping and/or countervailing duty notice in so far as it affects that exporter. Section 269T of the Act defines 'new exporter' to mean an exporter who did not export the goods subject to the application to Australia at any time during the investigation period in relation to the original investigation.

On 19 June 2017, Sino lodged an application under subsection 269ZE(1) of the Act for an accelerated review of the dumping duty and countervailing duty notices in relation to its exports of the goods to Australia from China.

¹ These tariff subheadings only apply to: Dalian Steelforce Hi-Tech Co. Ltd. (China); Tianjin Friend Steel Pipe Co. Ltd. (China); Tianjin Ruitong Iron and Steel Co. Ltd. (China); Roswell S A R Limited (China); and Alpine Pipe Manufacturing SDN BHD (Malaysia).

² *Ibid.*

³ On 19 July 2016, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Industry, Innovation and Science. For the purposes of this review the Minister is the Parliamentary Secretary to the Minister for Industry, Innovation and Science.

I am currently considering the application and making further inquiries, in particular concerning Sino's status as an exporter. The Commission's *Dumping and Subsidy Manual*⁴ at section 6.2 provides guidance as to the identification of an exporter.

I note that Sino is not a manufacturer of the goods. Based on evidence collected to date, Sino has played an intermediary role in the exportation of the goods manufactured by Tianjin Jianwei Tube Co., Ltd (Jianwei) from China to Australia.

To fully understand Sino's role in the exportation of the goods to Australia, the Commission has requested detailed information and supporting documentation from Sino and Jianwei, which I will have regard to, as soon as practicable, in establishing:

- Sino's status as an exporter and eligibility to apply for this accelerated review; and
- if I consider that Sino is eligible to apply for this accelerated review, whether to reject or not reject the application.

If the application is not rejected, I will make a recommendation under subsection 269ZG(1) of the Act to the Parliamentary Secretary that the dumping duty notice and the countervailing duty notice:

- (i) remain unaltered; or
- (ii) be altered so as to apply to the applicant as if different variable factors had been fixed.

If recommending to the Parliamentary Secretary that different variable factors be applied to the applicant, I may propose a change in the method to determine the interim dumping duty and interim countervailing duty. The available methods for determining the interim dumping duty are outlined in section 5 of the *Customs Tariff (Anti-Dumping) Regulation 2013* (the Regulation). The available methods for determining interim countervailing duty are outlined in subsection 10(3B) of the *Customs Tariff (Anti-Dumping Act) 1975* (Dumping Duty Act).

The review period examined for the purposes of the application for accelerated review, should it proceed, is 1 June 2016 to 31 May 2017.

Concurrent reviews

On 23 June 2017, Austube Mills Pty Ltd lodged an application requesting a review of the variable factors relevant to the anti-dumping measures relating to exports of HSS exported to Australia from China, Korea, Malaysia and Taiwan. Following consideration of the application I decided not to reject it, and subsequently initiated Review No. 419 on 14 July 2017. This review period for that review is 1 July 2016 to 30 June 2017 and covers all exporters of the goods to Australia from China, Korea, Malaysia and Taiwan generally.

Public record

There is no legislative requirement to maintain a public record for accelerated reviews. However, in the interests of transparency, a public record has been opened and is accessible at www.adcommission.gov.au. Alternatively, the public record may be examined at the Commission's office by contacting the Case Manager on the details provided below.

⁴ The *Dumping and Subsidy Manual* can be accessed at <http://www.adcommission.gov.au/accessadsystem/Pages/Dumping-and-Subsidy-Manual.aspx>

The public record will contain, among other things, a copy of the application and a copy of all submissions from interested parties.

Securities

Pursuant to subsection 269ZH(b) of the Act, the Commonwealth may require and take securities under section 42 of the Act in respect of interim dumping duty and interim countervailing duty that may be payable on importation of the goods to which the application relates.

I have recommended that the Commonwealth require and take securities under section 42 of the Act from 20 June 2017 in respect of interim dumping duty and interim countervailing duty that may be payable on the importation of HSS exported from China to which the application under subsection 269ZE(1) of the Act relates.

The interim dumping duty that has been determined is an amount that has been worked out in accordance with the combination of fixed (*ad valorem*) and variable duty method pursuant to subsection 5(2) of the Regulation.

The interim countervailing duty that has been determined is an amount that has been ascertained as a proportion of the export price of the goods pursuant to subsection 10(3B)(a) of the Dumping Duty Act.

Lodgment of submissions

Interested parties are invited to lodge written submissions concerning this accelerated review, via email to investigations3@adcommission.gov.au, by fax to +61 3 8539 2499, or by mail to:

The Director
Investigations 3
GPO Box 2013
Canberra ACT 2601

Interested parties wishing to participate in the accelerated review must ensure that submissions are lodged promptly.

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, having regard to the requirements of subsection 269ZJ:

- (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").

Anti-Dumping Commission contact

Enquiries about this notice may be directed to the Case Manager by email to investigations3@adcommission.gov.au, or by telephone number +61 3 8539 2478.

Dale Seymour
Commissioner
Anti-Dumping Commission
10 August 2017