

30 August 2017

The Director
Operations 2
Anti-dumping Commission

BY EMAIL operations2@adcommission.gov.au

Dear Director,

Submission of the Australian industry – Verification of exporter information

RE.: Review of anti-dumping measures applying to steel reinforcing bar concerning exports by Jiangsu Yonggang Group Co., Ltd. (“Yonggang”) (Review No. 423)

OneSteel Manufacturing Pty Ltd (**OneSteel**) refers to its earlier submission in this matter as a member of the Australian industry. OneSteel now responds to the Anti-dumping Commission’s (**Commission’s**) treatment of Jiangsu Yonggang Group Co. Ltd (**Yonggang**), as a cooperative exporter.

OneSteel observes that Yonggang has been a respondent exporter in two, previous dumping investigations related to goods to which OneSteel is a member of the Australian industry, namely *Investigation No. 300* (steel reinforcing bar) and *Investigation No. 384* (alloy round bar).

In both cases, the Commission declined to perform an on-site verification of Yonggang, and in spite of its regular appearance as an exporter of steel products the subject of dumping investigations by the Commission, it has yet to be subjected to on-site verification by the Australian administration (at least). Although OneSteel never considers remote “verification” a suitable substitute for on-site verification, the risks of this ‘resource saving’ approach are compounded several times over when it is applied to an exporter whose financial information has never been subjected to ‘live’ interrogation by Commission officers for a certain general product category, in this case, steel.

In fact in *Investigation No. 300*, Yonggang’s consultant encouraged the Commission to attend an on-site verification:

“...Yonggang has no objection to the Commission visiting its premises in China to validate the accuracy and reasonableness of the information requested by the Commission’s questionnaire. Yonggang proposed suitable dates to the Commission for a potential verification visit, with the intent of providing all requested documentation and ensuring that relevant accounting, sales and production staff were available.”¹

¹ *EPR Folio No. 300/032* at p. 6.

On that occasion, the Commission declined to verify in-country, and more recently in *Investigation No. 384*, the failure of the Commission to verify Yonggang's financial information has impaired the Commission's ability to assess the exporter's profitability under the various options available to it in s 45 of the *Customs (International Obligations) Regulation 2015*.

Therefore, we consider on-site verification of Yonggang a critical condition of its treatment as a so-called cooperative exporter.

Should the Commission seek to discuss any aspect of this submission, please do not hesitate to contact the respondent Australian industry.

FOR AND ON BEHALF OF THE AUSTRALIAN INDUSTRY RESPONDENT

ONESTEEL MANUFACTURING PTY LTD