



Australian Government
**Department of Industry,
Innovation and Science**

**Anti-Dumping
Commission**

CUSTOMS ACT 1901 - PART XVB

STATEMENT OF ESSENTIAL FACTS
NO. 409 AND 410

**REVIEWS OF ANTI-DUMPING MEASURES APPLYING TO
ALUMINIUM ZINC COATED STEEL EXPORTED TO AUSTRALIA**

FROM THE PEOPLE'S REPUBLIC OF CHINA BY

**BAOSHAN IRON & STEEL CO., LTD. AND
SHANGHAI MEISHAN IRON & STEEL CO., LTD.**

August 2017

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ABBREVIATIONS

Abbreviation	Full title
2016 Steel Report	<i>Analysis of Steel and Aluminium Markets Report to the Commissioner of the Anti-Dumping Commission</i>
ACBPS	Australian Customs and Border Protection Service
the Act	<i>Customs Act 1901</i>
ADN	Anti-Dumping Notice
the applicants	Baoshan Iron & Steel Co., Ltd. and Shanghai Meishan Iron & Steel Co., Ltd.
Baosteel	Baoshan Iron & Steel Co., Ltd.
BlueScope	BlueScope Steel Limited
China	the People's Republic of China
the Commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
CTMS	cost to make and sell
Dongbu	Dongbu Steel Co., Ltd.
Dumping Duty Act	<i>Customs Tariff (Anti-Dumping) Act 1975</i>
FIE(s)	foreign invested enterprise(s)
galvanised steel	zinc coated steel
GOC	the Government of the People's Republic of China
the goods	aluminium zinc coated steel
HRC	hot rolled coil
ICD	interim countervailing duty
IDD	interim dumping duty
Korea	the Republic of Korea
Meisteel	Shanghai Meishan Iron & Steel Co., Ltd.
NIP	non-injurious price
the notices	the dumping duty notice and countervailing duty notice applying to the goods exported from China
Parliamentary Secretary	the Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science
the Regulation	<i>Customs (International Obligations) Regulation 2015</i>
REP 190	<i>International Trade Remedies Branch Report No. 190</i>
REP 193	<i>International Trade Remedies Branch Report No. 193</i>

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REP 272 and 273	<i>Anti-Dumping Commission Report No. 272 and 273</i>
REP 365 et al	<i>Anti-Dumping Commission Report Nos. 365, 366, 367, 368, 371, 372, 374, 375 and 376</i>
REP 385 and 386	<i>Anti-Dumping Commission Report No. 385 and 386</i>
REQ	response to the exporter questionnaire
review period	1 April 2016 to 31 March 2017
SEF	statement of essential facts
VAT	value-added tax
WTO	World Trade Organization

1 SUMMARY

1.1 Introduction

This statement of essential facts (SEF) sets out the facts on which the Commissioner of the Anti-Dumping Commission (the Commissioner) proposes to base his recommendations to the Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science (the Parliamentary Secretary)¹ in relation to two reviews of the anti-dumping measures (in the form of a dumping duty notice and a countervailing duty notice (together, the notices)) applying to certain aluminium zinc coated steel exported to Australia from the People's Republic of China (China).

These two reviews are in response to separate applications lodged by Baoshan Iron & Steel Co., Ltd. (Baosteel) and Shanghai Meishan Iron & Steel Co., Ltd. (Meisteel) (together, the applicants).

Each application for review is based on a change in the variable factors² relevant to the taking of the anti-dumping measures in relation to the applicant. The variable factors in relation to each of the reviews are the normal value, export price, non-injurious price (NIP) and the amount of countervailable subsidy received.

Due to the common review period,³ and for administrative convenience, the SEFs for the two reviews are detailed in this one report.

1.2 Legislative background

Division 5 of Part XVB of the *Customs Act 1901* (the Act)⁴ sets out, among other things, the procedures to be followed by the Commissioner in dealing with an application for review of anti-dumping measures.

Division 5 empowers the Commissioner to reject or not reject an application for review of anti-dumping measures. If the Commissioner does not reject the application, he is required to publish a notice indicating that it is proposed to review the anti-dumping measures covered by the application.⁵

¹ 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 these reviews, the Minister is the Parliamentary Secretary to the Minister for Industry, Innovation and Science.

² Subsection 269T(4E) of the *Customs Act 1901*.

³ The review period for each review is 1 April 2016 to 31 March 2017.

⁴ All legislative references in this SEF are to the *Customs Act 1901*, unless otherwise specified.

⁵ Subsection 269ZC(4).

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The Commissioner must, within 110 days after the publication of the notice or such longer period as the Parliamentary Secretary allows, place on the public record a statement of the essential facts (this SEF) on which the Commissioner proposes to base his recommendation to the Parliamentary Secretary in relation to the review of anti-dumping measures.⁶

1.3 Preliminary findings

The Commissioner finds, in relation to exports of aluminium zinc coated steel to Australia from China during the period 1 April 2016 to 31 March 2017 (the review period), that, for each review:

- the ascertained export price has changed;
- the ascertained normal value has changed;
- the ascertained NIP should be set equal to the ascertained normal value, meaning that the ascertained NIP has changed; and
- the amount of countervailable subsidy received has changed.

1.4 Proposed recommendations

The Commissioner proposes to recommend to the Parliamentary Secretary that the notices in respect of aluminium zinc coated steel have effect as if different variable factors (being the export price, normal value, NIP and amount of countervailable subsidy) had been ascertained in respect of Baosteel and Meisteel.

⁶ Subsection 269ZD(1).

2 BACKGROUND

2.1 Applications and initiation

On 18 April 2017, the Commissioner received two separate applications (one from each of the applicants) for a review of the anti-dumping measures applying to certain aluminium zinc coated steel exported to Australia from China.

On 8 May 2017, following consideration of each application, the Commissioner decided to publish a notice announcing the initiation of two reviews.

Further details of the initiation of the two reviews and a full description of the relevant goods is available in Anti-Dumping Notice (ADN) No. 2017/63.⁷

2.2 Existing anti-dumping measures

2.2.1 Original investigations

On 5 September 2012, a dumping investigation into aluminium zinc coated steel exported to Australia from China, the Republic of Korea (Korea) and Taiwan was initiated following an application by BlueScope Steel Limited (BlueScope).

On 26 November 2012, a countervailing investigation into aluminium zinc coated steel exported to Australia from China was initiated following an application by BlueScope.

The dumping investigation (Investigation 190), as outlined in *International Trade Remedies Branch Report No. 190* (REP 190),⁸ found that:

- aluminium zinc coated steel exported to Australia from China and Korea (except for Union Steel Co., Ltd.) was dumped with margins ranging from 5.5 per cent to 19.3 per cent;
- the volumes of dumped goods from each of these countries and the dumping margins for all exporters (other than Union Steel Co., Ltd.) were not negligible;
- the dumped exports caused material injury to the Australian industry producing like goods; and
- continued dumping may cause further material injury to the Australian industry.

⁷ This ADN is available on the Commission website at www.adcommission.gov.au.

⁸ REP 190 investigated aluminium zinc coated steel and zinc coated (galvanised) steel exported to Australia from China, Korea and Taiwan. Due to the close nature of these products and common interested parties, findings from both dumping investigations were detailed in one report.

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The countervailing investigation (Investigation 193), as outlined in *International Trade Remedies Branch Report No. 193* (REP 193),⁹ found that:

- aluminium zinc coated steel exported to Australia from China (other than by Angang Steel Company Limited) was subsidised with margins ranging from 5.0 per cent to 21.7 per cent;
- the volume of subsidised goods from China and the countervailing margins for all exporters were not negligible;
- the subsidised goods caused material injury to the Australian industry producing like goods; and
- continued subsidisation may cause further material injury to the Australian industry.

On 5 August 2013, the then Attorney-General, following consideration of REP 190 and REP 193, published:

- a dumping duty notice applying to aluminium zinc coated steel exported to Australia from China and Korea (with the exception of Union Steel Co., Ltd. from Korea); and
- a countervailing duty notice applying to aluminium zinc coated steel exported to Australia from China (with the exception of Angang Steel Company Limited).

The anti-dumping measures in respect of aluminium zinc coated steel were outlined in ADN No. 2013/66.

2.2.2 Review of Investigation 193

Following a review by the Anti-Dumping Review Panel of certain findings made by the then Attorney-General, the then Parliamentary Secretary to the Minister for Industry decided to vary the countervailing duty notice so as to reduce the applicable countervailable subsidies by the amounts referable to programs 1 to 3 described in REP 193.

The decision to vary the countervailing duty notice required an amendment to the interim dumping duty (IDD) payable on imports of aluminium zinc coated steel because the original dumping margins were reduced by the amount of subsidy attributable to subsidy programs 1 to 3 in determining the interim duty payable.

Notice of that decision was published on 20 February 2014.¹⁰ The notice had retrospective effect from 5 August 2013.

2.2.3 Review of measures - Dongbu Steel Co., Ltd.

On 1 October 2014, Dongbu Steel Co., Ltd. (Dongbu) lodged an application requesting a review of the anti-dumping measures applying to aluminium zinc coated

⁹ REP 193 investigated aluminium zinc coated steel and galvanised steel exported to Australia from China, Korea and Taiwan. Due to the close nature of these products and common interested parties, findings from both countervailing investigations were detailed in the one report.

¹⁰ ADN No. 2014/12 refers.

steel exported to Australia from Korea. *Anti-Dumping Commission Report No. 272 and 273* (REP 272 and 273) recommended that the dumping duty notice have effect in relation to Dongbu as if different variable factors had been ascertained.

The then Parliamentary Secretary to the Minister for Industry and Science accepted the findings in REP 272 and 273 and altered the dumping duty notice as it applied to Dongbu. Notice of the decision was published in the *Commonwealth of Australia Gazette* on 3 August 2015 and *The Australian* newspaper on 4 August 2015.¹¹

On 16 November 2016, Dongbu applied for a review of the anti-dumping measures applying to aluminium zinc coated steel exported from Korea to Australia, again claiming that the dumping duty notice ought to have effect in relation to Dongbu as if different variable factors had been ascertained.

The review was initiated on 7 December 2016, and a statement of essential facts in respect of this review was published on 3 May 2017. On 19 July 2017, the Parliamentary Secretary accepted the findings in *Anti-Dumping Commission Report No. 385 and 386* (REP 385 and 386) and altered the dumping duty notice as it applied to Dongbu.¹²

2.2.4 Review of measures - Chinese and Taiwanese exporters

Between 5 August 2016 and 8 September 2016, the Commissioner received nine applications for reviews of the anti-dumping measures applying to aluminium zinc coated steel and galvanised steel exported to Australia from China and Taiwan.

Further details of the initiation of the nine reviews and a full description of the relevant goods is available in ADN Nos. 2016/86, 2016/87, 2016/101 and 2016/102.

On 10 April 2017, *Anti-Dumping Commission Report Nos. 365, 366, 367, 368, 371, 372, 374, 375 and 376* (REP 365 et al) was submitted to the Parliamentary Secretary concerning the nine reviews. On 10 May 2017, the Parliamentary Secretary accepted the findings in REP 365 et al and altered the dumping duty notice as it applied to Jiangyin Zongcheng Steel Co., Ltd., Synn Industrial Co., Ltd., Yieh Phui Enterprise Co., Ltd., Angang Steel Company Limited and Chung Hung Steel Corporation.¹³

2.2.5 Current rate and form of duty

Both Baosteel and Meisteel are currently subject to a combined fixed IDD and interim countervailing duty (ICD) of 29.6 per cent, and a variable component of IDD where the actual export price is below the ascertained export price.

¹¹ ADN No. 2015/83 refers.

¹² ADN Nos. 2017/86 and 2017/87 refer, published 20 July 2017.

¹³ ADN Nos. 2017/48 and 2017/49 refer, published 12 May 2017.

2.3 Review process

If anti-dumping measures have been taken in respect of certain goods, an affected party may consider it appropriate to review those anti-dumping measures as they affect a particular exporter or exporters generally. Accordingly, the affected party may apply for,¹⁴ or the Parliamentary Secretary may request that the Commissioner conduct,¹⁵ a review of those anti-dumping measures if one or more of the variable factors has changed.

The Parliamentary Secretary may initiate a review at any time. However, a review application must not be lodged earlier than 12 months after publication of the notice imposing the original anti-dumping measures or the publication of a notice declaring the outcome of the last review of the notice imposing the original anti-dumping measures.¹⁶

If an application for a review of anti-dumping measures is received and not rejected, within 110 days of the initiation of a review, or such longer time as the Parliamentary Secretary may allow, the Commissioner must place on the public record a SEF on which he proposes to base recommendations to the Parliamentary Secretary concerning the review of the anti-dumping measures.¹⁷ The Commissioner has up to 155 days, or such longer time as the Parliamentary Secretary may allow, to conduct a review and report to the Parliamentary Secretary on the review of the anti-dumping measures.¹⁸

During the course of a review, the Commissioner will examine whether the variable factors have changed. Variable factors in these reviews are a reference to:

- the ascertained export price;
- the ascertained normal value;
- the NIP; and
- the amount of countervailable subsidy received in respect of the goods.

For each review, in making recommendations in his final report to the Parliamentary Secretary, the Commissioner must have regard to:¹⁹

- the application for review of the anti-dumping measures;

¹⁴ Subsection 269ZA(1).

¹⁵ Subsection 269ZA(3).

¹⁶ Subsection 269ZA(2)(a). At the time that the applications for review were made, the most recent notice declaring the outcome of a review of the dumping duty notice was published on 3 August 2015 (following REP 272 and 273). The countervailing duty notice has not been reviewed since its original publication.

¹⁷ Subsection 269ZD(1).

¹⁸ Subsection 269ZDA(1).

¹⁹ Subsection 269ZDA(3)(a).

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- any submission relating generally to the review of the anti-dumping measures to which the Commissioner has had regard for the purpose of formulating the SEF;
- the SEF; and
- any submission made in response to the SEF that is received by the Commissioner within 20 days of it being placed on the public record.

The Commissioner may also have regard to any other matter the Commissioner considered to be relevant to the review.²⁰

In his final report the Commissioner must make a recommendation to the Parliamentary Secretary that the notices:²¹

- remain unaltered; or
- have effect, in relation to a particular exporter or to exporters generally, as if different variable factors had been ascertained.

The Parliamentary Secretary must make a declaration within 30 days of receiving the report or, if the Parliamentary Secretary considers there are special circumstances that prevent the declaration being made within that period, such longer period as the Parliamentary Secretary considers appropriate²² that the notices:²³

- remain unaltered; or
- have effect, in relation to a particular exporter or to exporters generally, as if different variable factors had been fixed relevant to the determination of duty.

The Parliamentary Secretary must give notice of the decision.²⁴

2.4 Responding to this SEF

This SEF sets out the essential facts on which the Commissioner proposes to base his recommendations to the Parliamentary Secretary. The SEF represents an important stage in the review as it informs interested parties of the facts established and allows them to make submissions in response to the SEF.

It is important to note that the SEF may not represent the final views of the Commissioner. The final report will recommend whether or not the notices should be varied, and the extent of any interim duties that are, or should be, payable.

²⁰ Subsection 269ZDA(3)(b).

²¹ Subsection 269ZDA(1)(a).

²² Subsection 269ZDB(1A).

²³ Subsection 269ZDB(1)(a).

²⁴ Subsection 269ZDB(1).

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Interested parties are invited to lodge written submissions in response to this SEF no later than the close of business on **17 September 2017**.²⁵ The Commissioner is not obliged to have regard to any submission made in response to the SEF received after this date if to do so would, in the opinion of the Commissioner, prevent the timely preparation of the report to the Parliamentary Secretary.²⁶

The Commissioner must report to the Parliamentary Secretary on or before **10 October 2017**.

Submissions should preferably be emailed to investigations1@adcommission.gov.au.

Alternatively, submissions may be posted to:

The Director – Investigations 1
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601
AUSTRALIA

Confidential submissions must be clearly marked accordingly and a non-confidential version of any submission is required for inclusion on the public record. A guide for making submissions is available on the Commission website at www.adcommission.gov.au.

The public record contains non-confidential submissions by interested parties, the non-confidential versions of the Commission's verification reports and other publicly available documents. The public record can be viewed [online](#).

Documents on the public record should be read in conjunction with this SEF.

²⁵ As 17 September 2017 falls on a Sunday, the effective date is the following business day, Monday 18 September 2017.

²⁶ Subsection 269ZDA(4).

3 THE GOODS AND LIKE GOODS

3.1 The goods subject to the anti-dumping measures

The goods to which the notices apply (the goods) are:

“flat rolled products of iron and non-alloy steel of a width equal to or greater than 600mm, plated or coated with aluminium-zinc alloys, not painted whether or not including resin coating.”

3.1.1 Additional information in relation to the goods

The amount of aluminium zinc coating on the steel is described as its coating mass and is nominated in grams per square metre (g/m²) with the prefix AZ (aluminium zinc). Common coating masses are AZ200, AZ150, AZ100 and AZ70.

3.1.2 Product treatment

The goods description covers aluminium zinc coated steel whether or not including any (combination of) surface treatment, for instance: whether passivated or not passivated, (often referred to as chromated or unchromated); resin coated or not resin coated, (often referred to as Anti Finger Print (AFP) or not AFP); oiled or not oiled; skin passed or not skin passed.

3.1.3 Excluded goods

Painted aluminium zinc coated steel, pre-painted aluminium zinc coated steel and corrugated aluminium zinc coated steel are not covered by the dumping duty and countervailing duty notices.

3.2 Tariff classification

Goods identified as aluminium zinc coated steel, as per the description above, are classified to tariff subheading 7210.61.00 (statistical codes 60, 61 and 62) in Schedule 3 to the *Customs Tariff Act 1995*.

The goods exported to Australia from China under this tariff subheading are currently subject to a 2 per cent rate of customs duty. Due to the *China-Australia Free Trade Agreement*, the customs duty is progressively reducing each calendar year and will be duty free from 1 January 2019.

4 EXPORT PRICE AND NORMAL VALUE

4.1 Findings

The Commission has found, in respect of exports of aluminium zinc coated steel to Australia from China by Baosteel and Meisteel, that:

- the ascertained export price has changed; and
- the ascertained normal value has changed.

4.2 Exporter questionnaires and verification

For each review, the Commission provided the applicant with an exporter questionnaire to complete. Each applicant provided detailed information and data in its response to the exporter questionnaire (REQ), including data relating to domestic sales and details of the cost to make and sell (CTMS). Each applicant provided additional information when requested by the Commission.

The Commission conducted an on-site verification of the information provided in Baosteel's REQ. Baosteel's exporter verification report is available on the Commission website.

The Commission elected not to conduct an on-site verification of the information provided in Meisteel's exporter questionnaire response. The Commission was able to compare the information provided in Meisteel's REQ against the information (domestic sales and CTMS data) provided by Baosteel in respect of review no. 409. The Commission also had access to recent domestic sales and CTMS data for other integrated Chinese manufacturers of aluminium zinc coated steel, which were consistent with the trends observed in Meisteel's sales and CTMS data.

The Commission is satisfied as to the accuracy, relevance and completeness of the information provided by Baosteel and Meisteel.

4.3 Export price

4.3.1 Baosteel

It is the Commission's view that the application of subsection 269TAB(1) would require Baosteel to have exported the goods to Australia. As the Commission has found that Baosteel did not export aluminium zinc coated steel to Australia from China during the review period, the Commission considers that there is insufficient information available to ascertain the export price of the goods using:

- the price paid or payable by the importer;²⁷
- the price at which the goods were sold by the importer in Australia less prescribed deductions;²⁸ or

²⁷ Subsection 269TAB(1)(a).

²⁸ Subsection 269TAB(1)(b).

- the price having regard to all the circumstances of the exportation.²⁹

Therefore, the Commission considers it appropriate to determine the export price of the goods under subsection 269TAB(3) having regard to all relevant information. The Commission considers that the export price of aluminium zinc coated steel exported to Australia from China by Baosteel be the same amount as that determined to be the ascertained normal value.

As a result, the ascertained export price for Baosteel's exports of aluminium zinc coated steel has changed from that ascertained in Investigation 190.

4.3.2 Meisteel

It is the Commission's view that the application of subsection 269TAB(1) would require Meisteel to have exported the goods to Australia. As the Commission has found that Meisteel did not export aluminium zinc coated steel to Australia from China during the review period, the Commission considers that there is insufficient information available to ascertain the export price of the goods using:

- the price paid or payable by the importer;
- the price at which the goods were sold by the importer in Australia less prescribed deductions; or
- the price having regard to all the circumstances of the exportation.

Therefore, the Commission considers it appropriate to determine the export price of the goods under subsection 269TAB(3) having regard to all relevant information. The Commission considers that the export price of aluminium zinc coated steel exported to Australia from China by Meisteel be the same amount as that determined to be the ascertained normal value.

As a result, the ascertained export price for Meisteel's exports of aluminium zinc coated steel has changed from that ascertained in Investigation 190.

4.4 Normal value

4.4.1 Applicable legislation

Subsection 269TAC(1) provides that the normal value of any goods exported to Australia is the price paid or payable for like goods sold in the ordinary course of trade for home consumption in the country of export in sales that are arms length transactions by the exporter, or, if like goods are not so sold by the exporter, by other sellers of like goods.

However, subsection 269TAC(2)(a)(ii) provides that, where the Parliamentary Secretary is satisfied that:

...because the situation in the market of the country of export is such that sales in that market are not suitable for use in determining a price under subsection (1),

²⁹ Subsection 269TAB(1)(c).

the normal value of the goods exported to Australia cannot be ascertained under subsection 269TAC(1).

Where such a market situation exists, the normal value can be determined on the basis of a cost construction (subsection 269TAC(2)(c)), or third country sales (subsection 269TAC(2)(d)).

4.4.2 Particular market situation

The Commission provided two questionnaires to the Government of China (GOC) to complete. The questionnaires requested detailed information in relation to the GOC's influence on the operations of Baosteel and Meisteel (identified as 'State-Invested Enterprises') and identification of any GOC initiatives and subsidies that affect the aluminium zinc coated steel industry. The GOC did not provide a response to the questionnaires.

In the absence of a response from the GOC, the Commission has had regard to other information that the Commission considers relevant in the preparation of this SEF.³⁰ Specifically, the Commission has considered findings in previous cases conducted by the Commission, including the original investigation relating to aluminium zinc coated steel (Investigation 190), and recent reviews (finalised in May 2017) of the anti-dumping measures applying to aluminium zinc coated steel exported to Australia from China.³¹

Investigation 190 established that, in accordance with subsection 269TAC(2)(a)(ii), a situation exists in the domestic Chinese market that renders domestic selling prices of aluminium zinc coated steel as being unsuitable for the purposes of determining normal values for aluminium zinc coated steel under subsection 269TAC(1).

Accordingly, normal values for cooperating exporters were constructed pursuant to subsection 269TAC(2)(c). Subsection 269TAC(2)(c) provides that, where the normal value cannot be ascertained under subsection 269TAC(1), the normal value of the goods is to be calculated as:

- the cost of production or manufacture of the goods in the country of export; and
- on the assumption that the goods, instead of being exported, had been sold for home consumption in the ordinary course of trade in the country of export, the selling, general and administrative costs associated with such a sale and the profit on that sale.

During Investigation 190, it was found that, in determining the cost of manufacture of aluminium zinc coated steel in China, the records of Chinese exporters of aluminium zinc coated steel did not reasonably reflect competitive market costs associated with the production and manufacture of those goods, for the purposes of then Regulation 180 of the *Customs Regulations 1926*.

³⁰ As permitted by subsection 269ZDA(3)(b).

³¹ REP 365 et al refers.

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Specifically, the then Australian Customs and Border Protection Service (ACBPS) indicated that:

“HRC [hot rolled coil] prices are affected by GOC influences and do not reasonably reflect competitive market costs.”

Because HRC costs represented a significant proportion of the cost to manufacture aluminium zinc coated steel, Investigation 190 adjusted the HRC costs recorded in the exporters’ records in order to reflect a competitive market cost for HRC when constructing normal values.

The Commission, in REP 365 et al, citing the Commission’s 2016 report “*Analysis of Steel and Aluminium Markets Report to the Commissioner of the Anti-Dumping Commission*” (2016 Steel Report), came to the conclusion that:

...analysis of subsidies and tax arrangements for the Chinese steel and aluminium industries, and the operation of state-owned enterprises, indicates that many... market interventions have been economically inefficient and have resulted in distortions to market outcomes.³²

In the absence of any information to indicate that the various taxes, tariffs, and export and import quotas (as identified in REP 190 and the Commission’s 2016 steel report) applying to the raw materials (coke, coking coal, iron ore) used in the production of intermediate inputs (i.e. HRC, which is used in the production of the goods under review) have changed, the Commission considers that the GOC continues to exert numerous influences on the Chinese iron and steel industry, which has substantially distorted competitive market conditions in the aluminium zinc coated steel industry in China.

The Commission is also aware that the GOC is actively encouraging, via “rewards and subsidies for structural adjustments in industrial enterprises”,³³ consolidation within the steel industry aimed at limiting the number of inefficient producers in the industry and concentrating steel production (through GOC authorised mergers) within the state-owned (or state-invested) enterprises, such as the newly formed China Baowu Steel Group.³⁴ This GOC policy will facilitate economies of scale within the steel industry and will eventually lead to lower costs of production, which will further distort market conditions within the steel industry.

Further, during the course of the reviews, the Commission found an additional 24 subsidy programs to be countervailable in relation to aluminium zinc coated steel (refer chapter 5 of this report). This further demonstrates that the GOC, through subsidisation, directly supports and influences the aluminium zinc coated steel

³² Available on the Commission’s [website](#); page 57 refers.

³³ The 13th Five-Year Plan for Economic and Social Development of the People’s Republic of China (2016 – 2020); available [here](#) (page 62 refers).

³⁴ In 2016, Baosteel Group [merged](#) with another state-owned enterprise, Wuhan Iron and Steel Group, to form China Baowu Steel Group. China Baowu Steel Group is currently the largest (by production volume) steel producer in China and the second largest in the world. Refer [here](#) for further information.

industry, which effectively lowers the costs of producing aluminium zinc coated steel and therefore distorts market outcomes.

The Commission therefore considers that a market situation for aluminium zinc coated steel exists, and that the normal values for the applicants cannot be ascertained under subsection 269TAC(1). The Commission has therefore ascertained the normal values for Baosteel and Meisteel under subsection 269TAC(2)(c).

4.5 Constructed normal value

Subsection 269TAC(2)(c) provides that, where the normal value cannot be ascertained under subsection 269TAC(1), the normal value of the goods is to be calculated as:

- the cost of production or manufacture of the goods in the country of export; and
- on the assumption that the goods had been sold for home consumption in the ordinary course of trade in the country of export, the administrative, selling and general costs associated with such a sale and the profit on that sale.

4.5.1 Cost of production

As noted above, subsection 269TAC(2)(c) requires that the cost of production or manufacture of the goods be used in determining constructed normal values. As required by subsection 269TAC(5A)(a), the cost of production or manufacture must be worked out in accordance with section 43 of the *Customs (International Obligations) Regulation 2015* (the Regulation).³⁵

To determine the cost of production or manufacture, subsection 43(2) requires that if:

- an exporter or producer keeps records relating to like goods that are in accordance with generally accepted accounting principles in the country of export; and
- those records reasonably reflect competitive market costs associated with the production or manufacture of like goods;

the Parliamentary Secretary must work out the cost of production or manufacture using information set out in the exporter or producer's records.

It is the Commission's policy and practice that, where the conditions of subsection 43(2) of the Regulation are not met, the cost records kept by that exporter are not required to be used in working out their costs, and the Commission may resort to other information to calculate these costs.

Given the significant distortions in the steel market in China outlined in section 4.4.2 of this report, the Commission considers that Baosteel's and Meisteel's recorded costs of HRC do not reflect competitive market costs.

³⁵ Previously Regulation 180 of the *Customs Regulations 1926*. The *Customs Regulations 1926* were replaced by the *Customs Regulation 2015* and the *Customs (International Obligations) Regulation 2015* which became effective on 1 April 2015.

4.5.1.1 Approach to replacing HRC costs in Investigation 190

In Investigation 190, the then ACBPS determined that the most appropriate competitive market cost benchmark for HRC costs in China was the weighted average domestic HRC price paid by cooperating exporters of galvanised steel and aluminium zinc coated steel from Korea³⁶ and Taiwan,³⁷ at comparable terms of trade and conditions of purchase to those observed in China.

The ACBPS adjusted the Chinese exporters' records at the HRC level for both integrated and non-integrated manufacturers. To make the appropriate adjustment for non-integrated Chinese exporters, the ACPBS compared the benchmark prices to purchases of HRC by those exporters to arrive at a percentage difference to be applied to the raw materials cost recorded in the exporters' records.³⁸

To make the appropriate adjustment for integrated Chinese exporters, the ACPBS applied the weighted average percentage uplift found in relation to the co-operating non-integrated exporters and applied this to the costs recorded by the integrated exporters to manufacture HRC.³⁹

4.5.1.2 Approach to replacing HRC costs in REP 365 et al.

Consistent with the methodology applied in Investigation 190, for the purpose of replacing Chinese exporters' HRC costs with a competitive market cost benchmark, the Commission has used verified weighted average HRC prices paid by cooperating Taiwanese and Korean exporters in their domestic markets.⁴⁰

4.5.1.3 Approach to replacing HRC costs in current reviews

For the purpose of these reviews, and consistent with the methodology applied in Investigation 190 and REP 365 et al, the Commission has replaced Baosteel's and Meisteel's recorded costs of producing HRC with verified weighted average HRC costs obtained from cooperating Korean and Taiwanese exporters and manufacturers of HRC (the competitive market cost benchmark).

Given that both Baosteel and Meisteel are fully-integrated manufacturers of aluminium zinc coated steel, and given the availability of verified and relevant information, the Commission considers that it is appropriate to use verified costs of HRC manufacturers (at comparable terms) in Korea and Taiwan for the purpose of replacing Baosteel's and Meisteel's HRC costs.

³⁶ Dongbu Steel and Union Steel.

³⁷ Chung Hung Steel, Yieh Phui Enterprise and Sheng Yu Steel.

³⁸ REP 190, at p. 62.

³⁹ *ibid*, at p. 63.

⁴⁰ This information was provided in the course of REP 365 et al (as applying to exports from Taiwan), and REP 385 and 386 (Korea).

The Commission has verified cost data for the period April 2016 to December 2016, encompassing three of the four quarters of the review period. For the March 2017 quarter of the review period, the Commission has adjusted the weighted average cost in this quarter by reference to the percentage change in the East Asia HRC price⁴¹ between the December 2016 and March 2017 quarters.

Details of the competitive market cost benchmark calculation is at **Confidential Appendix 1 - HRC benchmark**.

4.6 Determination of constructed normal values

4.6.1 Baosteel

It is the Commission's policy and practice that, where the conditions of subsection 43(2) of the Regulation are not met, the cost records kept by that exporter are not required to be used in working out their costs, and the Commission may resort to other information to calculate these costs.

As outlined in section 4.4.2 of this report, the Commission considers the HRC costs provided by Baosteel do not reasonably reflect competitive market costs. Therefore, the Commission has replaced Baosteel's HRC costs with a competitive market HRC cost benchmark.

As required by subsection 269TAC(5A)(b), in ascertaining the normal value of the goods under subsection 269TAC(2)(c), the selling, general and administrative costs for Baosteel have been determined in accordance with subsection 44(2) of the Regulation.

In addition, as required by subsection 269TAC(5B), in ascertaining the normal value of the goods under subsection 269TAC(2)(c), the amount of profit included in the normal value is to be determined having regard to section 45 of the Regulation. Subsection 45(2) of the Regulation requires that, where reasonably practicable, profit must be worked out using data relating to the production and sale of like goods by the exporter or producer of the goods in the ordinary course of trade.

Accordingly, the Commission has calculated a profit margin for aluminium zinc coated steel (like goods). The calculation of this profit margin was based on domestic sales of aluminium zinc coated steel in the ordinary course of trade, the selling prices of which were compared to Baosteel's actual cost to make and sell of those goods (i.e. prior to replacing Baosteel's recorded HRC costs as discussed above).

In order to ensure the normal value is properly comparable with the export price of the goods, the Commission adjusted Baosteel's normal value in accordance with subsection 269TAC(9). The normal value for Baosteel has been calculated at ex-works, cash terms.

The Commission applied an upwards adjustment to account for the difference in the amount of residual value-added tax (VAT) liability that would apply to export sales of

⁴¹ Steel price data obtained from SBB Platts, refer www.steelbb.com/steelprices/.

aluminium zinc coated steel. The residual amount has been calculated at the rate of 4 per cent, which is the full VAT rate of 17 per cent less the 13 per cent VAT rebate that applies to exports of flat-rolled products of iron or non-alloy steel plated or coated with aluminium-zinc alloys.

The resulting ascertained normal value for Baosteel in respect of aluminium zinc coated steel has changed since Investigation 190.

Details of the preliminary normal value calculations for Baosteel are at **Review 409 - Confidential Appendices 1 to 3**.

4.6.2 Meisteel

The Commission also considers the HRC costs provided by Meisteel do not reasonably reflect competitive market costs. Therefore, the Commission has replaced Meisteel's HRC costs with a competitive market HRC cost benchmark.

As required by subsection 269TAC(5A)(b), in ascertaining the normal value of the goods under subsection 269TAC(2)(c), the selling, general and administrative costs for Meisteel have been determined in accordance with subsection 44(2) of the Regulation.

In addition, as required by subsection 269TAC(5B), in ascertaining the normal value of the goods under subsection 269TAC(2)(c), the amount of profit included in the normal value is to be determined having regard to section 45 of the Regulation. Subsection 45(2) of the Regulation requires that, where reasonably practicable, profit must be worked out using data relating to the production and sale of like goods by the exporter or producer of the goods in the ordinary course of trade.

Accordingly, the Commission has calculated a profit margin for aluminium zinc coated steel (like goods). The calculation of this profit margin was based on domestic sales of aluminium zinc coated steel in the ordinary course of trade, the selling prices of which were compared to Meisteel's actual cost to make and sell of those goods (i.e. prior to replacing Meisteel's recorded HRC costs as discussed above).

In order to ensure the normal value is properly comparable with the export price of the goods, the Commission adjusted Meisteel's normal value in accordance with subsection 269TAC(9). The normal value for Meisteel has been calculated at ex-works, cash terms.

The Commission applied an upwards adjustment to account for the difference in the amount of residual VAT liability that would apply to export sales of aluminium zinc coated steel. The residual amount has been calculated at the rate of 4 per cent, which is the full VAT rate of 17 per cent less the 13 per cent VAT rebate that applies to exports of flat-rolled products of iron or non-alloy steel plated or coated with aluminium-zinc alloys.

The resulting ascertained normal value for Meisteel in respect of aluminium zinc coated steel has changed since Investigation 190.

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Details of the preliminary normal value calculations for Meisteel are at **Review 410 - Confidential Appendices 1 to 3.**

5 COUNTERAVAILABLE SUBSIDIES

5.1 Findings

The Commission has found, in respect of aluminium zinc coated steel exported to Australia from China by Baosteel and Meisteel, that the amount of countervailable subsidy received has changed.

The Commission has determined that the subsidy margin applicable to both Baosteel and Meisteel in the review period is 0.1 per cent.

5.2 Subsidy programs reviewed

The Commission has reviewed the existing 33 subsidy programs that were found to be countervailable in Investigation 193. The Commission requested that Baosteel and Meisteel provide information relating to all subsidies received during the review period in their responses to the exporter questionnaire.

During examination of information provided in Baosteel's and Meisteel's REQs, the Commission became aware that benefits were received under several new subsidy programs not included in the 33 subsidy programs being reviewed by the Commission.

The Commission identified 36 additional subsidy programs that were not previously investigated. As such, a total of 69 subsidy programs have been investigated in this review.

5.3 Summary of subsidy programs

After assessing all relevant information available the Commission has found that the following programs are countervailable subsidies in respect of aluminium zinc coated steel exported to Australia from China.

The findings in relation each investigated program are outlined in the table below.

Program number	Program name	Program type	Countervailable in relation to the goods? (yes/no)
4	Preferential Tax Policies for Enterprises with Foreign Investment Established in the Coastal Economic Open Areas and Economic and Technological Development Zones	Income tax	Yes
5	Preferential Tax Policies for Foreign Invested Enterprises– Reduced Tax Rate for Productive Foreign Invested Enterprises scheduled to operate for a period of not less than 10 years	Income tax	Yes
6	Preferential Tax Policies for Enterprises with Foreign Investment Established in Special Economic Zones (excluding Shanghai Pudong area)	Income tax	Yes

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7	Preferential Tax Policies for Enterprises with Foreign Investment Established in Pudong area of Shanghai	Income tax	Yes
8	Preferential Tax Policies in the Western Regions	Income tax	Yes
9	Land Use Tax Deduction	Income tax	Yes
10	Preferential Tax Policies for High and New Technology Enterprises	Income tax	Yes
11	Tariff and value-added tax (VAT) Exemptions on Imported Materials and Equipment	Tariff & VAT	Yes
12	One-time Awards to Enterprises Whose Products Qualify for 'Well-Known Trademarks of China' and 'Famous Brands of China'	Grant	Yes
13	Matching Funds for International Market Development for Small and Medium Enterprises	Grant	Yes
14	Superstar Enterprise Grant	Grant	Yes
15	Research & Development (R&D) Assistance Grant	Grant	Yes
16	Patent Award of Guangdong Province	Grant	Yes
17	Innovative Experimental Enterprise Grant	Grant	Yes
18	Special Support Fund for Non State-Owned Enterprises	Grant	Yes
19	Venture Investment Fund of Hi-Tech Industry	Grant	Yes
20	Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment	Grant	Yes
21	Grant for key enterprises in equipment manufacturing industry of Zhongshan	Grant	Yes
22	Water Conservancy Fund Deduction	Grant	Yes
23	Wuxing District Freight Assistance	Grant	Yes
24	Huzhou City Public Listing Grant	Grant	Yes
25	Huzhou City Quality Award	Grant	Yes
26	Huzhou Industry Enterprise Transformation & Upgrade Development Fund	Grant	Yes

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27	Wuxing District Public List Grant	Grant	Yes
28	Anti-dumping Respondent Assistance	Grant	Yes
29	Technology Project Assistance	Grant	Yes
30	Capital injections	Equity	Yes
31	Environmental protection grant	Grant	Yes
32	High and New Technology Enterprise Grant	Grant	Yes
33	Independent Innovation and High-Tech Industrialisation Program	Grant	Yes
34	VAT refund on domestic sales by local tax authority	Tariff & VAT	Yes
35	Environmental Prize	Grant	Yes
36	Jinzhou District Research and Development Assistance Program	Grant	Yes
37#	Assistance for fixed assets investment project	Grant	Yes
38#	Funding for "application of high precision optical comb coherent imaging analyser and its engineering development"	Grant	No
39#	Funding for "ship ballast tank resistant microbial corrosion steel and its application technology research"	Grant	No
40#	Patent expenses assistance	Grant	Yes
41#	Funding for "study on stability of multi-level nanostructure and industrial application exploration for part of the multi-level nano-metal materials"	Grant	No
42#	Funding for "composite rolling technology of high-performance composite steel materials manufacturing technology research"	Grant	No
43#	High-tech achievement financial support fund	Grant	Yes
44#	Funding for "research and development of control model and process key technology in metallurgical process"	Grant	Yes
45#	Funding for "development and application research on slab continuous casting crystal multi-magnetic field control device"	Grant	Yes

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46#	Funding for "high-efficiency, low-loss silicon steel research and development"	Grant	No
47#	Funding for "arctic and ultra-low temperature marine steel research and applications"	Grant	No
48#	Funding for "sintering machine intelligent multi-component pollutant flue gas treatment island"	Grant	Yes
49#	Financial funds for "high-strength spring steel and cutting steel key-tech development and application demonstration"	Grant	No
50#	Funding for "high-precision shipboard key manufacturing technology research"	Grant	No
51#	Financial funds for the special adjustment of industrial enterprises structural adjustment	Grant	Yes
52#	Promotion special funds of Shanghai	Grant	Yes
53#	Trade remedy cases legal fee assistance	Grant	Yes
54#	Funding for "technology research on thick plate continuous casting large pressure and slab internal quality control"	Grant	No
55#	Funding for "research and development of continuous heat treatment of new heating and cooling technology"	Grant	Yes
56#	Environmental protection assistance allocated from Shanghai Municipal Environmental Protection Bureau	Grant	Yes
57#	Environmental protection special funds - mine OC, OD material C-type closed transformation and coal field E, F material conversion silo project in phase I and II	Grant	Yes
58#	Decentralized jobs	Grant	Yes
59#	Funding for "key technology research on risk prevention and control of special equipment with high parameter and pressure"	Grant	No
60#	Special funds by the Shanghai Municipal Human Resources and Social Security Bureau	Grant	Yes
61#	Income tax return paid by the Shibao Mountain District Finance Bureau	Income tax	Yes
62#	2016 Shanghai Skills Master Studio construction and additional assistance by Shanghai Municipal Employment Promotion Centre	Grant	Yes

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63#	Sulfur dioxide over-emission awards	Grant	Yes
64#	Funding for “renovation project relating to seamless steel tube plant finishing area”	Grant	No
65#	Funding for “localization development project of large diameter and high - grade pipeline pipe forming mould for oil and gas transportation”	Grant	No
66#	Funding for “steel products, energy conservation & environment protection comprehensive technology upgrade project”	Grant	Yes
67#	Funding for “no. 3 sintering machine flue gas desulfurization project”	Grant	Yes
68#	Industrial adjustment and revitalization special guidance fund	Grant	Yes
69#	Stable employment assistance – good jobs subsidy	Grant	Yes
70#	2016 government assistance (Yuhuatai District)	Grant	Yes
71#	2016 scientific and technological achievements for industrialization fund	Grant	Yes
72#	New industry guidance special fund	Grant	Yes

Table 1 - Subsidy programs

Denotes programs not previously countervailed in relation to aluminium zinc coated steel.

The Commission’s findings in relation to each program investigated are outlined in **Non-Confidential Attachment 1**.

5.4 Preliminary subsidy margins

After assessing all available information the Commission has determined that Baosteel and Meisteel have each received a number of financial contributions conferring a benefit in respect of the goods. Preliminary subsidy margins have been calculated for each applicant with reference to the specific programs that conferred a benefit during the review period.

The subsidy margin is expressed as a percentage of the ascertained export price. The preliminary subsidy margin for both Baosteel and Meisteel is 0.1 per cent.

The preliminary subsidy margin calculation for Baosteel is at **Review 409 - Confidential Appendix 4 - subsidy margin**.

The preliminary subsidy margin calculation for Meisteel is at **Review 410 - Confidential Appendix 4 - subsidy margin**.

6 NON-INJURIOUS PRICE

6.1 Introduction

Dumping duties and countervailing duties⁴² may be imposed where the Parliamentary Secretary is satisfied that dumped or subsidised exports of the goods to Australia have caused or threatened to cause material injury to the Australian industry producing like goods. Under subsections 269TACA(a) and (c) of the Act, the NIP of the goods exported to Australia is the minimum price necessary to prevent the injury, or a recurrence of the injury, to the Australian industry by dumped or subsidised goods.

Where the Parliamentary Secretary is required to determine both IDD and ICD payable on goods the subject of a notice under subsections 269TG(1) or 269TG(2) and section 269TJ, subsections 8(5BA) and 10(3D) of the *Customs Tariff (Anti-Dumping) Act 1975* (Dumping Duty Act) apply. Subsections 8(5BA) and 10(3D) of the Dumping Duty Act require the Parliamentary Secretary, in determining the IDD and ICD payable, to have regard to the 'lesser duty rule' which requires consideration of the desirability of fixing a lesser amount of duty such that the following does not exceed the NIP:

- (a) the export price of the goods as ascertained or last ascertained;
- (b) the amount of the ICD; and
- (c) the amount of the IDD.⁴³

6.2 Assessment of the NIP

The Commission generally derives the NIP by first establishing a price at which the Australian industry might reasonably sell its product in a market unaffected by dumping and subsidisation. This price is referred to as the unsuppressed selling price. Deductions from this figure are made for post-exportation costs to derive a NIP that is expressed in similar delivery terms to export price and normal value (e.g. free-on-board). Where the NIP is lower than the normal value, the duty is calculated with respect to the difference between export price and NIP, thereby giving effect to the lesser duty rule.

In REP 193 (being the original case), the then ACBPS expressed the view that in a market unaffected by dumping and subsidisation, it is reasonable to expect that the Australian industry would be able to achieve, as a minimum, selling prices that reflected un-dumped import parity pricing.

⁴² In the form of a dumping duty notice under subsection 269TG(1) or (2) of the Act and a countervailing duty notice under subsection 269TJ(1) or (2) of the Act.

⁴³ The Commission notes the policy position set out on page 134 of the *Dumping and Subsidy Manual*, which, when applied to the present circumstances, means that the Commissioner's recommendation will be consistent with the requirement that applied when the measures were imposed.

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It was on this basis that the then ACBPS considered that the free-on-board NIP for each exporter be a price equal to their respective normal value.⁴⁴ As such, the then Attorney General was not required to and did not have regard to the lesser duty rule.

The Commission considers that the approach to determining the NIP in REP 193 remains relevant for the purpose of these reviews. The NIP for the applicants' exports of aluminium zinc coated steel to Australia from China has therefore been set equal to the exporters' respective normal values. Given the findings in section 4.6 of this report, the NIP for each applicant has changed since last ascertained.

⁴⁴ Page 144 of REP 193 refers.

7 FINDINGS AND PROPOSED RECOMMENDATIONS

7.1 Findings

The Commissioner has found, in respect of exports of aluminium zinc coated steel to Australia from China by Baosteel and Meisteel, that:

- the ascertained export price has changed;
- the ascertained normal value has changed;
- the ascertained NIP has changed; and
- the amount of countervailable subsidy received has changed.

7.2 Proposed recommendations

The Commissioner proposes to recommend to the Parliamentary Secretary that the notices in respect of exports of aluminium zinc coated steel to Australia from China have effect in relation to Baosteel and Meisteel as if different variable factors had been ascertained and the NIP for each applicant be set in accordance with their respective normal values.

The Commissioner further recommends that the ascertained export price for Baosteel and Meisteel be set equal to the ascertained normal value.

7.3 Proposed form of duty

The Commissioner proposes to recommend to the Parliamentary Secretary that the IDD payable on the goods the subject of the dumping duty notice is an amount which will be worked out in accordance with the floor price duty method pursuant to subsection 5(4) of the *Customs Tariff (Anti-Dumping) Regulation 2013*.

IDD will be payable if the actual export price (dumping export price or 'DXP') is below the ascertained normal value which is a specified (confidential) amount per tonne.

The Commissioner further proposes to recommend to the Parliamentary Secretary that, in accordance with subsection 10(3B)(a) of the Dumping Duty Act, that the amount of ICD payable on the goods the subject of the countervailing duty notice be ascertained as a proportion of the export price of the goods. In accordance with subsection 10(3E)(a) of the Dumping Duty Act, the rate of ICD applying to both Baosteel and Meisteel shall be 0.1 per cent.

A summary of the variable factors as they apply to each applicant is at **Confidential Appendix 2 - Summary of variable factors**.

8 LIST OF APPENDICES AND ATTACHMENTS

Non-confidential Attachment 1	Assessment of subsidy programs
Confidential Appendix 1	HRC benchmark
Confidential Appendix 2	Summary of variable factors
Review 409 - Confidential Appendix 1	Cost to make and sell - Baosteel
Review 409 - Confidential Appendix 2	Domestic sales and profit - Baosteel
Review 409 - Confidential Appendix 3	Normal value - Baosteel
Review 409 - Confidential Appendix 4	Subsidy margin calculation - Baosteel
Review 410 - Confidential Appendix 1	Cost to make and sell - Meisteel
Review 410 - Confidential Appendix 2	Domestic sales and profit - Meisteel
Review 410 - Confidential Appendix 3	Normal value - Meisteel
Review 410 - Confidential Appendix 4	Subsidy margin calculation - Meisteel

NON-CONFIDENTIAL ATTACHMENT 1 - ASSESSMENT OF SUBSIDY PROGRAMS

A1 Introduction and summary of findings

This attachment details the Commission’s assessment of the 33 subsidy programs that currently apply to aluminium zinc coated steel exported to Australia from China. An additional 36 subsidy programs were also investigated in the reviews.

The findings in relation to all investigated programs, and the Commission’s preliminary assessment of the countervailability of each in relation to aluminium zinc coated steel, is outlined in the below table.

Program number	Program name	Program type	Countervailable in relation to the goods? (yes/no)
4	Preferential Tax Policies for Enterprises with Foreign Investment Established in the Coastal Economic Open Areas and Economic and Technological Development Zones	Income tax	Yes
5	Preferential Tax Policies for Foreign Invested Enterprises– Reduced Tax Rate for Productive Foreign Invested Enterprises scheduled to operate for a period of not less than 10 years	Income tax	Yes
6	Preferential Tax Policies for Enterprises with Foreign Investment Established in Special Economic Zones (excluding Shanghai Pudong area)	Income tax	Yes
7	Preferential Tax Policies for Enterprises with Foreign Investment Established in Pudong area of Shanghai	Income tax	Yes
8	Preferential Tax Policies in the Western Regions	Income tax	Yes
9	Land Use Tax Deduction	Income tax	Yes
10	Preferential Tax Policies for High and New Technology Enterprises	Income tax	Yes
11	Tariff and value-added tax (VAT) Exemptions on Imported Materials and Equipment	Tariff & VAT	Yes
12	One-time Awards to Enterprises Whose Products Qualify for ‘Well-Known Trademarks of China’ and ‘Famous Brands of China’	Grant	Yes
13	Matching Funds for International Market Development for Small and Medium Enterprises	Grant	Yes
14	Superstar Enterprise Grant	Grant	Yes

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15	Research & Development (R&D) Assistance Grant	Grant	Yes
16	Patent Award of Guangdong Province	Grant	Yes
17	Innovative Experimental Enterprise Grant	Grant	Yes
18	Special Support Fund for Non State-Owned Enterprises	Grant	Yes
19	Venture Investment Fund of Hi-Tech Industry	Grant	Yes
20	Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment	Grant	Yes
21	Grant for key enterprises in equipment manufacturing industry of Zhongshan	Grant	Yes
22	Water Conservancy Fund Deduction	Grant	Yes
23	Wuxing District Freight Assistance	Grant	Yes
24	Huzhou City Public Listing Grant	Grant	Yes
25	Huzhou City Quality Award	Grant	Yes
26	Huzhou Industry Enterprise Transformation & Upgrade Development Fund	Grant	Yes
27	Wuxing District Public List Grant	Grant	Yes
28	Anti-dumping Respondent Assistance	Grant	Yes
29	Technology Project Assistance	Grant	Yes
30	Capital injections	Equity	Yes
31	Environmental protection grant	Grant	Yes
32	High and New Technology Enterprise Grant	Grant	Yes
33	Independent Innovation and High-Tech Industrialisation Program	Grant	Yes
34	VAT refund on domestic sales by local tax authority	Tariff & VAT	Yes
35	Environmental Prize	Grant	Yes

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36	Jinzhou District Research and Development Assistance Program	Grant	Yes
37#	Assistance for fixed assets investment project	Grant	Yes
38#	Funding for “application of high precision optical comb coherent imaging analyser and its engineering development”	Grant	No
39#	Funding for “ship ballast tank resistant microbial corrosion steel and its application technology research”	Grant	No
40#	Patent expenses assistance	Grant	Yes
41#	Funding for “study on stability of multi-level nanostructure and industrial application exploration for part of the multi-level nano-metal materials”	Grant	No
42#	Funding for “composite rolling technology of high-performance composite steel materials manufacturing technology research”	Grant	No
43#	High-tech achievement financial support fund	Grant	Yes
44#	Funding for “research and development of control model and process key technology in metallurgical process”	Grant	Yes
45#	Funding for “development and application research on slab continuous casting crystal multi-magnetic field control device”	Grant	Yes
46#	Funding for “high-efficiency, low-loss silicon steel research and development”	Grant	No
47#	Funding for “arctic and ultra-low temperature marine steel research and applications”	Grant	No
48#	Funding for “sintering machine intelligent multi-component pollutant flue gas treatment island”	Grant	Yes
49#	Financial funds for "high-strength spring steel and cutting steel key-tech development and application demonstration”	Grant	No
50#	Funding for “high-precision shipboard key manufacturing technology research”	Grant	No
51#	Financial funds for the special adjustment of industrial enterprises structural adjustment	Grant	Yes
52#	Promotion special funds of Shanghai	Grant	Yes
53#	Trade remedy cases legal fee assistance	Grant	Yes

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54#	Funding for “technology research on thick plate continuous casting large pressure and slab internal quality control”	Grant	No
55#	Funding for “research and development of continuous heat treatment of new heating and cooling technology”	Grant	Yes
56#	Environmental protection assistance allocated from Shanghai Municipal Environmental Protection Bureau	Grant	Yes
57#	Environmental protection special funds - mine OC, OD material C-type closed transformation and coal field E, F material conversion silo project in phase I and II	Grant	Yes
58#	Decentralized jobs	Grant	Yes
59#	Funding for “key technology research on risk prevention and control of special equipment with high parameter and pressure”	Grant	No
60#	Special funds by the Shanghai Municipal Human Resources and Social Security Bureau	Grant	Yes
61#	Income tax return paid by the Shibao Mountain District Finance Bureau	Income tax	Yes
62#	2016 Shanghai Skills Master Studio construction and additional assistance by Shanghai Municipal Employment Promotion Centre	Grant	Yes
63#	Sulfur dioxide over-emission awards	Grant	Yes
64#	Funding for “renovation project relating to seamless steel tube plant finishing area”	Grant	No
65#	Funding for “localization development project of large diameter and high - grade pipeline pipe forming mould for oil and gas transportation”	Grant	No
66#	Funding for “steel products, energy conservation & environment protection comprehensive technology upgrade project”	Grant	Yes
67#	Funding for “no. 3 sintering machine flue gas desulfurization project”	Grant	Yes
68#	Industrial adjustment and revitalization special guidance fund	Grant	Yes
69#	Stable employment assistance – good jobs subsidy	Grant	Yes
70#	2016 government assistance (Yuhuatai District)	Grant	Yes
71#	2016 scientific and technological achievements for industrialization fund	Grant	Yes

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72#	New industry guidance special fund	Grant	Yes
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Table 1 - Subsidy programs

Denotes programs not previously countervailed in relation to aluminium zinc coated steel.

A2 Relevant legislation

Section 269T of the Act defines a 'subsidy' as follows:

"**subsidy**", in respect of goods exported to Australia, means:

- a) a financial contribution:
 - i) by a government of the country of export or country of origin of the goods; or
 - ii) by a public body of that country or a public body of which that government is a member; or
 - iii) by a private body entrusted or directed by that government or public body to carry out a governmental function;

that involves:

- iv) a direct transfer of funds from that government or body; or
 - v) the acceptance of liabilities, whether actual or potential, by that government or body; or
 - vi) the forgoing, or non-collection, of revenue (other than an allowable exemption or remission) due to that government or body; or
 - vii) the provision by that government or body of goods or services otherwise than in the course of providing normal infrastructure; or
 - viii) the purchase by that government or body of goods or services; or
- b) any form of income or price support as referred to in Article XVI of the General Agreement on Tariffs and Trade 1994 that is received from such a government or body;

if that financial contribution or income or price support confers a benefit (whether directly or indirectly) in relation to the goods exported to Australia.

(Emphasis added)

This reflects Article 1.1 of the World Trade Organization (WTO) *Agreement on Subsidies and Countervailing Measures*. Section 269TAAC of the Act defines a countervailable subsidy as follows:

- 1) For the purposes of this Part, a subsidy is a countervailable subsidy if it is specific.
- 2) Without limiting the generality of the circumstances in which a subsidy is specific, a subsidy is specific:
 - a) if, subject to subsection (3), access to the subsidy is explicitly limited to particular enterprises; or
 - b) if, subject to subsection (3), access is limited to particular enterprises carrying on business within a designated geographical region that is within the jurisdiction of the subsidising authority; or
 - c) if the subsidy is contingent, in fact or in law, and whether solely or as one of several conditions, on export performance; or
 - d) if the subsidy is contingent, whether solely or as one of several conditions, on the use of domestically produced or manufactured goods in preference to imported goods.

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- 3) Subject to subsection (4), a subsidy is not specific if access to the subsidy:
 - a) is established by objective criteria or conditions set out in primary or subordinate legislation or other official documents that are capable of verification; and
 - b) those criteria or conditions do not favour particular enterprises over others and are economic in nature; and
 - c) those criteria or conditions are strictly adhered to in the administration of the subsidy.

- 4) Despite the fact that access to a subsidy is established by objective criteria, the Minister may, having regard to:
 - a) the fact that the subsidy program benefits a limited number of particular enterprises; or
 - b) the fact that the subsidy program predominantly benefits particular enterprises; or
 - c) the fact that particular enterprises have access to disproportionately large amounts of the subsidy; or
 - d) the manner in which a discretion to grant access to the subsidy has been exercised;

determine that the subsidy is specific.

Subsection 269TACC(3) specifies the guidelines that the Parliamentary Secretary is to have regard to in determining whether a financial contribution confers a benefit.

Under subsection 269TJ(1)(a), one of the matters that the Parliamentary Secretary must be satisfied of to publish a countervailing duty notice under the Dumping Duty Act is that a countervailable subsidy has been received in respect of the goods.

A3 Information considered by the Commission

A3.1 Information provided by the applicants

Both applicants provided information in their REQs in relation to the subsidies (i.e. the subsidy amounts) received from various levels of government in China, including, in some instances, a description of the purpose of the subsidy received.

Neither applicant has provided any information in relation to the specific nature, eligibility criteria, application process or any other information relevant to the assessment of whether the subsidies are countervailable subsidies in accordance with section 269TAAC.

A3.2 Information provided by the Government of China

The Commission provided the GOC with a questionnaire including questions relating to the 33 subsidy programs found to be countervailable in REP 193. The due date for receipt of a response to the questionnaire was 14 June 2017. The Commission did not receive a response from the GOC.

During a review of information provided in the applicants' REQs, the Commission obtained information that indicated benefits were received by the applicants under several new subsidy programs that were not included in the 33 subsidy programs already being reviewed by the Commission.

Therefore, the Commission sent the GOC a supplementary questionnaire in relation to these identified subsidy programs. The due date for receipt of a response to the

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supplementary questionnaire was 26 July 2017. The Commission did not receive a response from the GOC to this supplementary questionnaire.

Given that the GOC has not provided any information the Commissioner considers relevant to the review, in determining the amount of a countervailable subsidy in respect of the goods, the Commission has relied on all facts available and made such assumptions as the Commissioner considers reasonable.¹

A4 Subsidy programs previously found to be countervailable

A4.1 Preferential tax policies - programs 4 to 10

Programs 4 to 10 were found to be countervailable in Investigation 193. The Commission is not aware of the current status of these programs given the GOC has declined to participate in the review. Furthermore, the applicants did not provide any new information in relation to these programs.

The Commission considers that no new information has been provided that would warrant a reconsideration of the determination made in relation to these programs in REP 193, and has therefore maintained its position that these programs are countervailable in relation to exports of aluminium zinc coated steel exported to Australia from China.

The amount of subsidy in respect of the goods

The Commission has determined that neither Baosteel nor Meisteel have received financial contributions in respect of the goods under these programs during the review period. The Commission therefore considers a zero subsidy rate is applicable to the applicants under these programs.

A4.2 Tariff and VAT exemptions

Program 11: Tariff and value-added tax (VAT) Exemptions on Imported Materials and Equipment

Program 11 was found to be countervailable in Investigation 193 as well as in recent investigations into aluminium extrusions, silicon metal and grinding balls. The Commission is not aware of the current status of this program given the GOC has declined to participate in the review. Furthermore, the applicants did not provide any new information in relation to this program.

The Commission considers that no new information has been provided that would warrant a reconsideration of the determination made in relation to this program in REP 193, and has therefore maintained its position that this program is countervailable in relation to exports of aluminium zinc coated steel exported to Australia from China.

The amount of subsidy in respect of the goods

The Commission has determined that neither Baosteel nor Meisteel have received financial contributions in respect of the goods under this program during the review period.

¹ In accordance with subsections 269TAACA(1)(c) and (d).

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The Commission therefore considers a zero subsidy rate is applicable to the applicants under this program.

Program 34: VAT refund on domestic sales by local tax authority

Program 34 was found to be countervailable in Investigation 193. The Commission is not aware of the current status of this program given the GOC has declined to participate in the review. Furthermore, the applicants did not provide any new information in relation to this program.

The Commission considers that no new information has been provided that would warrant a reconsideration of the determination made in relation to this program in REP 193, and has therefore maintained its position that this program is countervailable in relation to exports of aluminium zinc coated steel exported to Australia from China.

The amount of subsidy in respect of the goods

The Commission has determined that neither Baosteel nor Meisteel have received financial contributions in respect of the goods under this program during the review period. The Commission therefore considers a zero subsidy rate is applicable to the applicants under this program.

A4.3 Financial grants – programs 12 – 33, 35 and 36

Programs 12 to 33, 35 and 36 were found to be countervailable in Investigation 193. Other investigations into aluminium road wheels, deep drawn stainless steel sinks, silicon metal and grinding balls also determined one or more of these programs to be countervailable. The Commission is not aware of the current status of these programs given the GOC has declined to participate in the review. Furthermore, the applicants did not provide any new information in relation to these programs.

The Commission considers that no new information has been provided that would warrant a reconsideration of the determination made in relation to these programs in REP 193, and has therefore maintained its position that these programs are countervailable in relation to exports of aluminium zinc coated steel exported to Australia from China.

The amount of subsidy in respect of the goods

The Commission has determined that neither Baosteel nor Meisteel have received financial contributions in respect of the goods under these programs during the review period. The Commission therefore considers a zero subsidy rate is applicable to the applicants under these programs.

A5 Additional subsidy programs identified by the applicants

In addition to the existing 33 subsidy programs that were considered as part of this review, the Commission has also had regard to 36 additional subsidy programs identified by Baosteel and Meisteel.

The Commission's assessment of these subsidy programs is summarised in table 2 and table 3.

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A5.1 Assessment of subsidy programs - Preferential taxation policies

The Commission investigated 8 programs in this category, comprising 7 preferential tax programs previously found to be countervailable (REP 193) and an additional program identified by the applicants. The Commission’s assessment as to whether this additional program is a countervailable subsidy in respect of aluminium zinc coated steel, and the method used to calculate the subsidy margin under this program, is contained in the below table.

Program number	Program description	Background	WTO notification	Legal basis	Eligibility criteria	Is there a subsidy?	Is the subsidy countervailable?	Method used to calculate subsidy margin
61	Income tax return paid by the Shibao Mountain District Finance Bureau	In its REQ, Baosteel reported receiving a benefit under this program from the Bureau of Human Resources & Social Security of Baoshan District. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that the tax benefit under this program would be a financial contribution by the GOC, which involves the foregoing, or non-collection, of revenue due to the GOC. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(b), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises carrying out business within a	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because of the tax savings realised. Where exporters of aluminium zinc coated steel during the review period received tax savings under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>designated geographical region (i.e. Shibao Mountain District). The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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Table 2 - Preferential taxation subsidy programs

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A5.2 Assessment of subsidy programs - Financial grants

The Commission investigated 58 programs in this category, comprising 23 grant programs previously found to be countervailable (REP 193) and a further 35 programs identified by the applicants. The Commission’s assessment as to whether these programs are countervailable subsidies in respect of aluminium zinc coated steel, and the method used to calculate the subsidy margin under these programs, is contained in the below table.

Program number	Program description	Background	WTO notification	Legal basis	Eligibility criteria	Is there a subsidy?	Is the subsidy countervailable?	Method used to calculate subsidy margin
37	Assistance for fixed assets investment project	In its REQ, Baosteel reported receiving a grant under this program. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises over other enterprises in China.	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>(including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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38	Funding for “application of high precision optical comb coherent imaging analyser and its engineering development”	In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology and the Shanghai Science Technology Commission. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.	Not applicable.	Not applicable.
39	Funding for “ship ballast tank resistant microbial corrosion steel and its application technology research”	In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Science Technology Commission. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial	Not applicable.	Not applicable.

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						contribution does not meet the definition of a subsidy under section 269T.		
40	Patent expenses assistance	In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Intellectual Property Administration. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial	Due to the lack of information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises in possession of certain patents. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>subsidy program to be specific, and therefore countervailable.</p>	
41	<p>Funding for “study on stability of multi-level nanostructure and industrial application exploration for part of the multi-level</p>	<p>In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology. Information in relation to this program was requested in a supplementary questionnaire sent to the</p>	<p>The Commission is not aware of any WTO notification of this program.</p>	<p>The Commission is not aware of any legal basis for this program.</p>	<p>The Commission is not aware of the eligibility criteria for this program.</p>	<p>Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to</p>	<p>Not applicable.</p>	<p>Not applicable.</p>

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	nano-metal materials”	GOC on 26 June 2017. The GOC did not respond to this questionnaire.				aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.		
42	Funding for “composite rolling technology of high-performance composite steel materials manufacturing technology research”	In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Science Technology Commission. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.	Not applicable.	Not applicable.
43	High-tech achievement financial support fund	In its REQ, Baosteel reported receiving a grant under this program from the Department of Finance of Shanghai.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial	Due to the lack of relevant information provided by the GOC and the applicants, the	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the

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		<p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>				<p>contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel).</p> <p>In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p>	<p>Commission has based its finding on all the facts available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises undertaking high-tech transformations.</p> <p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.		
44	Funding for “research and development of control model and process key technology in metallurgical process”	In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Science Technology Commission. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production,	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a</p>	<p>benefits particular enterprises undertaking certain research and development in relation to steel. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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						subsidy under section 269T.		
45	“Development and application research on slab continuous casting crystal multi-magnetic field control device”	In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Science Technology Commission and the Ministry of Science and Technology. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises developing and applying certain research in relation to steel processing. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3).	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
46	<p>Funding for “high-efficiency, low-loss silicon steel research and development”</p>	<p>In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not</p>	<p>The Commission is not aware of any WTO notification of this program.</p>	<p>The Commission is not aware of any legal basis for this program.</p>	<p>The Commission is not aware of the eligibility criteria for this program.</p>	<p>Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to</p>	<p>Not applicable.</p>	<p>Not applicable.</p>

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		respond to this questionnaire.				Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.		
47	Funding for “arctic and ultra-low temperature marine steel research and applications”	In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.	Not applicable.	Not applicable.
48	Funding for “sintering machine intelligent multi-component pollutant flue gas treatment island”	In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as

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		<p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>				<p>transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel).</p> <p>In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel</p>	<p>available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises in the steel manufacturing industry.</p> <p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.		
49	Financial funds for "high-strength spring steel and cutting steel key-tech development and application demonstration"	In its REQ, Baosteel reported receiving a grant under this program from the China Iron and Steel Research Institute. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.	Not applicable.	Not applicable.
50	Funding for "high-precision shipboard key	In its REQ, Baosteel reported receiving a grant under this program	The Commission is not aware of	The Commission is not aware of any	The Commission is not aware of the	Based on the information available, the	Not applicable.	Not applicable.

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	manufacturing technology research”	from the Shanghai Administration of Science, Technology and Industry for National Defence. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	any WTO notification of this program.	legal basis for this program.	eligibility criteria for this program.	Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.		
51	Financial funds for the special adjustment of industrial enterprises structural adjustment	In its REQ, Baosteel reported receiving a grant under this program from the National Development and Reform Commission. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the</p>	<p>to and predominantly benefits particular enterprises in the steel manufacturing industry. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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						definition of a subsidy under section 269T.		
52	Promotion special funds of Shanghai	In its REQ, Baosteel reported receiving a grant under this program from the Quality and Technology Supervision Bureau of Baoshan District. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(b), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises carrying out business within a designated geographical region (i.e. Baoshan District of Shanghai). The specificity of the subsidy is not excepted by reference to	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
53	Trade remedy cases legal fee assistance	<p>In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Commission of Commerce.</p> <p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not</p>	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as	<p>In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the</p>

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		<p>respond to this questionnaire.</p>				<p>enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC. Where exporters of aluminium zinc coated steel during the review period received a grant under this</p>	<p>considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises participating in anti-dumping investigations. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.		
54	Funding for “technology research on thick plate continuous casting large pressure and slab internal quality control”	In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Science Technology Commission. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.	Not applicable.	Not applicable.
55	Funding for “research and development of continuous heat treatment of new heating	In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial	Due to the lack of relevant information provided by the GOC and the applicants, the	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the

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	<p>and cooling technology”</p>	<p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>				<p>contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel).</p> <p>In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p>	<p>Commission has based its finding on all the facts available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises undertaking certain research and development in relation to steel manufacturing.</p> <p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.		
56	Environmental protection assistance allocated from Shanghai Municipal Environmental Protection Bureau	In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Environmental Protection Bureau. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production,	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a</p>	<p>benefits particular enterprises according over other enterprises in China. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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						subsidy under section 269T.		
57	Environmental protection special funds - mine OC, OD material C-type closed transformation and coal field E, F material conversion silo project in phase I and II	In its REQ, Baosteel reported receiving a grant under this program. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises in the steel manufacturing industry. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>to be specific, and therefore countervailable.</p>	
58	Decentralized jobs	<p>In its REQ, Baosteel reported receiving a grant under this program from the Employment Service Office of Baoshan District. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not</p>	<p>The Commission is not aware of any WTO notification of this program.</p>	<p>The Commission is not aware of any legal basis for this program.</p>	<p>The Commission is not aware of the eligibility criteria for this program.</p>	<p>The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p>	<p>Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable.</p>	<p>In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of</p>

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		<p>respond to this questionnaire.</p>				<p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore</p>	<p>In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises employing certain persons from certain regions. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.		
59	Funding for “key technology research on risk prevention and control of special equipment with high parameter and pressure”	In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.	Not applicable.	Not applicable.
60	Special funds by the Shanghai Municipal Human Resources and Social	In its REQ, Baosteel reported receiving a grant under this program from the Bureau of Human Resources & Social Security of Shanghai.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as

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	<p>Security Bureau</p>	<p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>				<p>involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel).</p> <p>In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc</p>	<p>on all the facts available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection 269TAAC(2)(b), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises carrying out business within a designated geographical region.</p> <p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.		
62	2016 Shanghai Skills Master Studio construction and additional assistance by Shanghai Municipal Employment Promotion Centre	In its REQ, Baosteel reported receiving a grant under this program from the Bureau of Human Resources & Social Security of Shanghai. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>according over other enterprises in China. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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63	Sulfur dioxide over-emission awards	<p>In its REQ, Baosteel reported receiving a grant under this program from the Shanghai Environmental Protection Bureau.</p> <p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	<p>The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel).</p> <p>In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of</p>	<p>Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises.</p> <p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						<p>aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>		
64	<p>Funding for “renovation project relating to seamless steel tube plant finishing area”</p>	<p>In its REQ, Baosteel reported receiving a grant under this program. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>	<p>The Commission is not aware of any WTO notification of this program.</p>	<p>The Commission is not aware of any legal basis for this program.</p>	<p>The Commission is not aware of the eligibility criteria for this program.</p>	<p>Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this</p>	<p>Not applicable.</p>	<p>Not applicable.</p>

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						financial contribution does not meet the definition of a subsidy under section 269T.		
65	Funding for “localization development project of large diameter and high - grade pipeline pipe forming mould for oil and gas transportation”	In its REQ, Baosteel reported receiving a grant under this program from the Ministry of Science and Technology. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	Based on the information available, the Commission considers that a financial contribution under this program would not confer a benefit in relation to aluminium zinc coated steel exported to Australia, and therefore, this financial contribution does not meet the definition of a subsidy under section 269T.	Not applicable.	Not applicable.
66	Funding for “steel products, energy conservation & environment protection comprehensive technology upgrade project”	In its REQ, Meisteel reported receiving a grant under this program from the Department of Finance of Nanjing. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant.

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		<p>The GOC did not respond to this questionnaire.</p>				<p>recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC. Where exporters of aluminium zinc coated steel during the review period received a</p>	<p>assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises in the steel manufacturing industry. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.		
67	Funding for “no. 3 sintering machine flue gas desulfurization project”	In its REQ, Meisteel reported receiving a grant under this program from the Department of Environment Protection of Nanjing. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises in the steel manufacturing industry.	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>(including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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68	Industrial adjustment and revitalization special guidance fund	<p>In its REQ, Meisteel reported receiving a grant under this program from Department of Finance of Nanjing and the Department of Finance of Jiangsu. Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	<p>The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel).</p> <p>In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of</p>	<p>Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises in the steel manufacturing industry.</p> <p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and</p>	<p>In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						<p>aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	therefore countervailable.	
69	Stable employment assistance – good jobs subsidy	<p>In its REQ, Meisteel reported receiving a benefit under this program from the Social Insurance Administration Center of Nanjing.</p> <p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	<p>The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers</p>	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection	<p>In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of</p>

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						<p>that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the</p>	<p>269TAAC(2)(b), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises carrying out business within a designated geographical region. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>sales revenue to determine a subsidy margin.</p>
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						goods, and this financial contribution meets the definition of a subsidy under section 269T.		
70	2016 government assistance (Yuhuatai District)	In its REQ, Meisteel reported receiving a benefit under this program from the Government of Yuhuatai District of Nanjing (Meisteel Office). Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China. The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection	Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable. In accordance with subsection 269TAAC(2)(b), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises carrying out business within a designated geographical region (i.e. the Meisteel sub-district within the Yuhuatai District	In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant. The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.

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						<p>269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>of Nanjing Province). The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	
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71	2016 scientific and technological achievements for industrialization fund	<p>In its REQ, Meisteel reported receiving a benefit under this program from the Nanjing Yuhuatai District Finance Bureau.</p> <p>Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>	The Commission is not aware of any WTO notification of this program.	The Commission is not aware of any legal basis for this program.	The Commission is not aware of the eligibility criteria for this program.	<p>The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel).</p> <p>In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of</p>	<p>Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection 269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises undertaking scientific and technological research and development for industry application.</p> <p>The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission</p>	<p>In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of sales revenue to determine a subsidy margin.</p>
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						<p>aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the goods, and this financial contribution meets the definition of a subsidy under section 269T.</p>	<p>considers this subsidy program to be specific, and therefore countervailable.</p>	
72	New industry guidance special fund	<p>In its REQ, Meisteel reported receiving a benefit under this program from the Government of Yuhuatai District of Nanjing (Meisteel Office). Information in relation to this program was requested in a supplementary questionnaire sent to the GOC on 26 June 2017. The GOC did not respond to this questionnaire.</p>	<p>The Commission is not aware of any WTO notification of this program.</p>	<p>The Commission is not aware of any legal basis for this program.</p>	<p>The Commission is not aware of the eligibility criteria for this program.</p>	<p>The Commission considers that a grant provided under this program would be a financial contribution by the GOC, which involves a direct transfer of funds by the GOC to the recipient enterprise in China.</p> <p>The Commission further considers</p>	<p>Due to the lack of relevant information provided by the GOC and the applicants, the Commission has based its finding on all the facts available and made such assumptions as considered reasonable.</p> <p>In accordance with subsection</p>	<p>In accordance with subsection 269TACD(1), the amount of the subsidy received in respect of the goods is the grant amount as reported by the applicant.</p> <p>The Commission allocated the amount of the grant to sales of all goods as a proportion of</p>

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						<p>that a financial contribution under this program would be made in connection to the production, manufacture or export of all goods of the recipient enterprise (including aluminium zinc coated steel). In accordance with subsection 269TACC(2), this financial contribution is considered to confer a benefit to recipient manufacturers of aluminium zinc coated steel because it is a direct financial payment from the GOC.</p> <p>Where exporters of aluminium zinc coated steel during the review period received a grant under this program, this would therefore confer a benefit in relation to the</p>	<p>269TAAC(2)(a), the Commission considers that this subsidy is limited to and predominantly benefits particular enterprises in selected industries. The specificity of the subsidy is not excepted by reference to subsection 269TAAC(3). Therefore, the Commission considers this subsidy program to be specific, and therefore countervailable.</p>	<p>sales revenue to determine a subsidy margin.</p>
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						goods, and this financial contribution meets the definition of a subsidy under section 269T.		
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Table 3 - Financial grant programs

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