



MINISTRY OF FOREIGN AFFAIRS
REPUBLIC OF KOREA

March 19, 2018

Received 23 March 2018

Mr. Matthew Williams
Director, Investigations 3
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601
Australia

PUBLIC RECORD

Dear Mr. Williams,

I would like to take this opportunity to express my deep appreciation for your efforts to ensure that all trade remedy proceedings are conducted in a fair and objective manner.

I am writing to bring your kind attention to the anti-circumvention investigations concerning imports of Steel Reinforcing Bar originating from the Republic of Korea, which was initiated on 21 November 2017 by the Anti-Dumping Commission of Australia.

The Government of the Republic of Korea (“the Korean Government”) is carefully watching the on-going anti-circumvention inquiry based on Paragraph 5A (d) of Subsection 269ZDBB of the Customs Act 1901. In fact, we have been mindful of the provision since its introduction in 2012 given the rather ambiguous and comprehensive language. We also understand that the current inquiry is one of the first cases making recourse to the provision.

In particular, an anti-circumvention inquiry and measure is possible, according to Paragraph 5A (d), for the reason that “the importer of the goods in matter sells those goods in Australia without increasing the price commensurate with the total amount of anti-dumping duty.” However, it is a common phenomenon that the price of a good fluctuates in accordance with the changes in the world market. In many cases, domestic price and export price of a good fluctuate together reflecting changes in world supply and demand. Likewise, in this case of steel reinforcing bar originating from Korea, a decrease in world-wide demand of steel has lowered both domestic and export price of the good along with the decreased overall world price during the period of investigation.

The Korean Government would highly appreciate Australia's careful application of the provision, which should not be widely construed and abused. This case will be the touchstone of the fair interpretation and application of Division 5A, and I hope that the precedent will be created in a right manner.

I would like to assure you that the Korean Government always encourages Korean exporters to sincerely respond to the antidumping inquiry and cooperate with the investigating authority for the correct result of the investigations.

Sincerely yours,



Youngjae Kim
Chief of Trade Remedy Reaction Team and
Deputy Director-General for
Bilateral Economic Affairs