



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

**Anti-Dumping
Commission**

CUSTOMS ACT 1901 - PART XVB

REPORT

NO. 413 and 414

**REVIEW OF ANTI-DUMPING MEASURES APPLYING TO
STEEL ROD IN COILS**

**EXPORTED FROM CHINA BY
JIANGSU SHAGANG GROUP CO., LTD. AND
HUNAN VALIN XIANGTAN IRON & STEEL CO., LTD.**

March 2018

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ABBREVIATIONS

Abbreviation	Full title
the Act	<i>Customs Act 1901</i>
ADN	Anti-Dumping Notice
the Assistant Minister	Assistant Minister for Science, Jobs and Innovation
then Assistant Minister	then Assistant Minister for Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science
China	the People's Republic of China
the Commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
GOC	Government of China
the goods	the goods the subject of the application
Hunan Valin	Hunan Valin Xiangtan Iron & Steel Co., Ltd.
Investigation 301 or 'original investigation'	Anti-Dumping Investigation No. 301
NIP	non-injurious price
OneSteel	Liberty OneSteel Pty Ltd
original investigation period	1 July 2014 to 30 June 2015
REQ	response to the exporter questionnaire
review period	1 April 2016 to 31 March 2017
SEF	statement of essential facts
Shagang	Jiangsu Shagang Group Co., Ltd.

1 SUMMARY

1.1 Introduction

This report sets out the facts on which the Commissioner of the Anti-Dumping Commission (the Commissioner) bases his recommendations to the Assistant Minister for Science, Jobs and Innovation (the Assistant Minister) in relation to these reviews of the anti-dumping measures applying to certain steel rod in coils (RIC) (also referred to as the goods)¹ exported to Australia from the People's Republic of China (China) by Jiangsu Shagang Group Co., Ltd. (Shagang) and Hunan Valin Xiangtan iron & Steel Co., Ltd. (Hunan Valin).

These reviews are in response to separate applications lodged by Shagang (Review No. 413) and Hunan Valin (Review No. 414) (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 export price, normal value and non-injurious price (NIP).

Due to the common review period,³ and for administrative convenience, the recommendations of the Commissioner for these 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 Refer to section 3.3 of this report for a full description of the goods.

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, after conducting a review of the variable factors relevant to the taking of the anti-dumping measures, give the Assistant Minister a report recommending that:

- the dumping duty notice remain unaltered; or
- the dumping duty notice have effect in relation to a particular exporter or to exporters generally, as if different variable factors had been ascertained.⁶

1.3 Findings

The Commissioner finds, in relation to exports of RIC to Australia from China by the applicants 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; and
- due to the existence of a 'particular market situation' the Assistant Minister is not required to have regard to the desirability of fixing a lesser rate of duty.

1.4 Recommendations

The Commissioner recommends to the Assistant Minister that the notices in respect of the goods have effect as if different variable factors (being the export price and normal value) had been ascertained in respect of Shagang and Hunan Valin.

⁶ Subsection 269ZDA(1)

2 BACKGROUND

2.1 Initiation

On 24 May 2017, the Commissioner gave public notice in Anti-Dumping Notice (ADN) No. 2017/76 of his decision to initiate a review of anti-dumping measures with respect to RIC exported to Australia from China by Shagang and Hunan Valin. The background relating to the initiation of these reviews is contained in Consideration Report No. 413 and 414.⁷

2.2 The current measures

Since 2015, the Commission has conducted numerous investigations, reviews and inquiries relating to RIC. Full details can be found on the Commission’s electronic public record at www.adcommission.gov.au. The matters relevant to the applications are summarised below.

12 August 2015	The Commission initiated an investigation into the alleged dumping of RIC exported to Australia from China following an application by OneSteel Manufacturing Pty Ltd – Anti-Dumping Investigation No. 301 (Investigation 301).
22 April 2016	The then Assistant Minister for Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science (then Assistant Minister) published a dumping duty notice applying to RIC exported to Australia from China – <i>Anti-Dumping Commission Report No. 301</i> refers. The dumping margin found for Hunan Valin was 44.1% and the dumping margin found for Shagang was 37.4%.
19 December 2016	Following a review of the then Assistant Minister’s decision by the Anti-Dumping Review Panel, the then Assistant Minister revoked his previous decision and substituted a new decision in the same terms except with different normal values in respect of Hunan Valin, Shagang, and uncooperative exporters, resulting in a dumping margin for Hunan Valin of 40.2% and a dumping margin for Shagang of 36.1% and a dumping margin for uncooperative exporters of 49%.

The current anti-dumping measures applying to the applicants are in the form of ad valorem duties, with the rates of 36.1 per cent applying to Shagang and 40.2 per cent applying to Hunan Valin.

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

⁷ CON 413 & 414 - [Public Record](#)

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apply for,⁸ or the Assistant Minister may request that the Commissioner conduct,⁹ a review of those anti-dumping measures if one or more of the variable factors has changed.

The Assistant Minister 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.¹⁰

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 Assistant Minister may allow, the Commissioner must place on the public record a statement of essential facts SEF on which he proposes to base recommendations to the Assistant Minister concerning the review of the anti-dumping measures.¹¹ The Commissioner has up to 155 days, or such longer time as the Assistant Minister may allow, to conduct a review and report to the Assistant Minister on the review of the anti-dumping measures.¹²

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; and
- the NIP.

In his final report the Commissioner must make a recommendation to the Assistant Minister that the notice:¹³

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

The Assistant Minister must then make a declaration within 30 days of receiving the report or, if the Assistant Minister considers there are special circumstances that prevent the declaration being made within that period, such longer period as the Assistant Minister considers appropriate¹⁴ that the notice:¹⁵

⁸ Subsection 269ZA(1).

⁹ Subsection 269ZA(3).

¹⁰ 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).

¹¹ Subsection 269ZD(1).

¹² Subsection 269ZDA(1).

¹³ Subsection 269ZDA(1)(a).

¹⁴ Subsection 269ZDB(1A).

¹⁵ Subsection 269ZDB(1)(a).

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- remains unaltered; or
- has 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 Assistant Minister must give notice of the decision.¹⁶

2.4 Statement of essential facts

On 21 December 2017, the Commissioner placed on the public record the SEF in relation to these reviews, which set out the essential facts on which the Commissioner proposed to base his final recommendations to the Assistant Minister for each review. The submissions made in response to the SEF are available on the electronic public record on the Commission's website.

2.5 Extensions of time

As noted in ADN No. 2017/123, an extension of time was granted for 41 days on 30 August 2017, for the publication of this SEF and the Final Report. Following this extension of time, two further notices, ADN No. 2017/148 and ADN No. 2017/151, relating to two further extensions of time were published on the Commission's website. The second extension of time related to the complexity associated with the construction of an appropriate raw materials benchmark, while the third extension of time related to recent legislative amendments.

The *Customs Amendment (Anti-Dumping Measures) Act 2017*, which came into force on 31 October 2017, amended the Act, specifically the provisions concerning the determination of export prices in a review of anti-dumping measures under Division 5 of Part XVB of the Act. Under item 4 of Schedule 1 to the *Customs Amendment (Anti-Dumping Measures) Act 2017*, these amendments apply to current reviews, that is, reviews under Division 5 that were being undertaken immediately before the commencement of the Schedule but for which a declaration in accordance with subsection 269ZDB(1) of the Act had not been made at that time. The Commission therefore must consider the new provisions in the context of these reviews of measures (see section 4.3).

On 29 January 2018 a further extension of time 30 days was granted for the Commissioner to provide his recommendations and Final Report to the Assistant Minister (ADN No. 2018/15 refers). This extension was necessary to allow the Commissioner sufficient time to properly consider and address a number of complex issues raised in submissions by interested parties in response to the SEF.

¹⁶ Subsection 269ZDB(1).

3 THE GOODS AND LIKE GOODS

3.1 The goods subject to the anti-dumping measures

The goods the subject of the application (the goods) are:

Hot rolled rods in coils of steel, whether or not containing alloys, that have maximum cross sections that are less than 14mm.

The goods covered by this application include all steel rods meeting the above description regardless of the particular grade or alloy content.

Goods excluded from this application include hot-rolled deformed steel reinforcing bar in coil form, commonly identified as rebar or debar, and stainless steel in coils.

3.2 Tariff classification

The goods are classified to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*:

- 7213.91.00 (statistical code 44);
- 7227.90.90 (statistical code 02); and
- 7227.90.90 (statistical code 42).

4 EXPORT PRICE AND NORMAL VALUE

4.1 Findings

The Commission has found, in respect of exports of RIC to Australia from China by the applicants, 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. Each applicant provided additional information when requested by the Commission.

The Commission conducted an on-site verification of the information provided in Shagang's and Hunan Valin's REQs. Verification reports are available on the Commission's website.

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

4.3 Export price

4.3.1 Applicable legislation

Export price is determined in accordance with section 269TAB, taking into account whether the purchase or sale of goods was an arms length transaction under section 269TAA. The *Customs Amendment (Anti-Dumping Measures) Act 2017* (amending legislation) amended section 269TAB to introduce specific provisions for exporters with zero or low volumes of exports.

Submission by applicants on retrospective application of legislative amendments.

The applicants submitted that the amendments to section 269TAB should not apply to the current reviews because the reviews "cannot be considered to have been undertaken immediately before the commencement of the amendments". The applicants' submissions cited item 4 of the amending legislation, which noted that, inter alia, the amendments to section 269TAB would apply to "such a review that was being undertaken immediately before the commencement of [Schedule 1] but for which a declaration in accordance with subsection 269ZDB(1) ... had not been made at that time".

The exporters submitted that the term 'immediately' should be interpreted as applying only to reviews initiated after the Australian Government had announced its intention to amend the Act on 13 September 2017, and not to all reviews underway at the time of the amendments commencing.

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The amending legislation does not limit application of the amendments only to reviews initiated after 13 September 2017, or otherwise limit the word ‘immediately’ in the way proposed by the applicants. The Commission considers that ‘immediately’ in item 4(b) of the amending legislation distinguishes between any review undertaken and completed prior to the commencement of the amendment, and those reviews that had been initiated, were underway and not yet completed prior to commencement. The Commission’s view is that the amendments were intended to apply to the latter reviews.

The explanatory memorandum to the *Customs Amendment (Anti-Dumping Measures) Bill 2017* notes the retrospective impact of the amendments:

The purpose of retrospectively applying the specific methods to applications lodged, or reviews being undertaken, prior to commencement is to apply the methods to all reviews currently on foot, without extending to reviews already finalised.

...

Procedural fairness will be afforded to affected parties. Affected parties will be notified of the intention to use the alternative methodologies to calculate their export price. Exporters and interested parties will be invited to make submissions prior to a decision being finalised.

Reviews 413 and 414 were being undertaken immediately before the commencement of the amendments, having been initiated on 29 June 2017. Prior to the commencement of the amendments, the review was still underway, the SEF had not yet been published and no declaration under subsection 269ZDB(1) for the review had been made. Accordingly, the Commission is satisfied that the new provisions in section 269TAB should be considered in this review.

The Commissioner notified the exporters and other interested parties of the approach to determining the export price in the SEF and invited submissions, including on the determination of export price, prior to the recommendation to the Assistant Minister being finalised.

4.3.2 Hunan Valin

It is the Commission’s view that the application of subsection 269TAB(1) would require Hunan Valin to have exported the goods to Australia. As the Commission has found that Hunan Valin did not export the goods to Australia during the review period, the Commission has considered whether the requirements of subsection 269TAB(2A) have been met, and therefore whether Hunan Valin’s export price is to be determined under 269TAB(2B).

For Hunan Valin to be considered a ‘low volume exporter’ in accordance with subsection 269TAB(2A), the Minister must have regard to (i) previous volumes of exports by that exporter, (ii) patterns of trade for like goods, and (iii) factors affecting patterns of trade for like goods that are not within the control of the exporter.¹⁷ The Commission has considered these elements as follows.

¹⁷ Subsection 269TAB(2A)(b)

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Previous volumes of exports by Hunan Valin – subsection 269TAB(2A)(b)(i)

Hunan Valin has previously exported the goods prior to the review period, during both the original investigation period (1 July 2014 to 30 June 2015) and the subsequent quarter. Hunan Valin has not exported the goods to Australia since the March 2016 quarter.

Patterns of trade for like goods – subsection 269TAB(2A)(b)(ii)

As shown below in Figure 1, while exports from China to Australia declined markedly around the time securities were implemented on exports of the goods from China, exports from all other countries increased substantially. The Commission interprets these results as the general market for the goods remaining persistent and that Hunan Valin's lack of exports during the review period does not pertain to a general lack of exports or low volumes of exports to Australia.

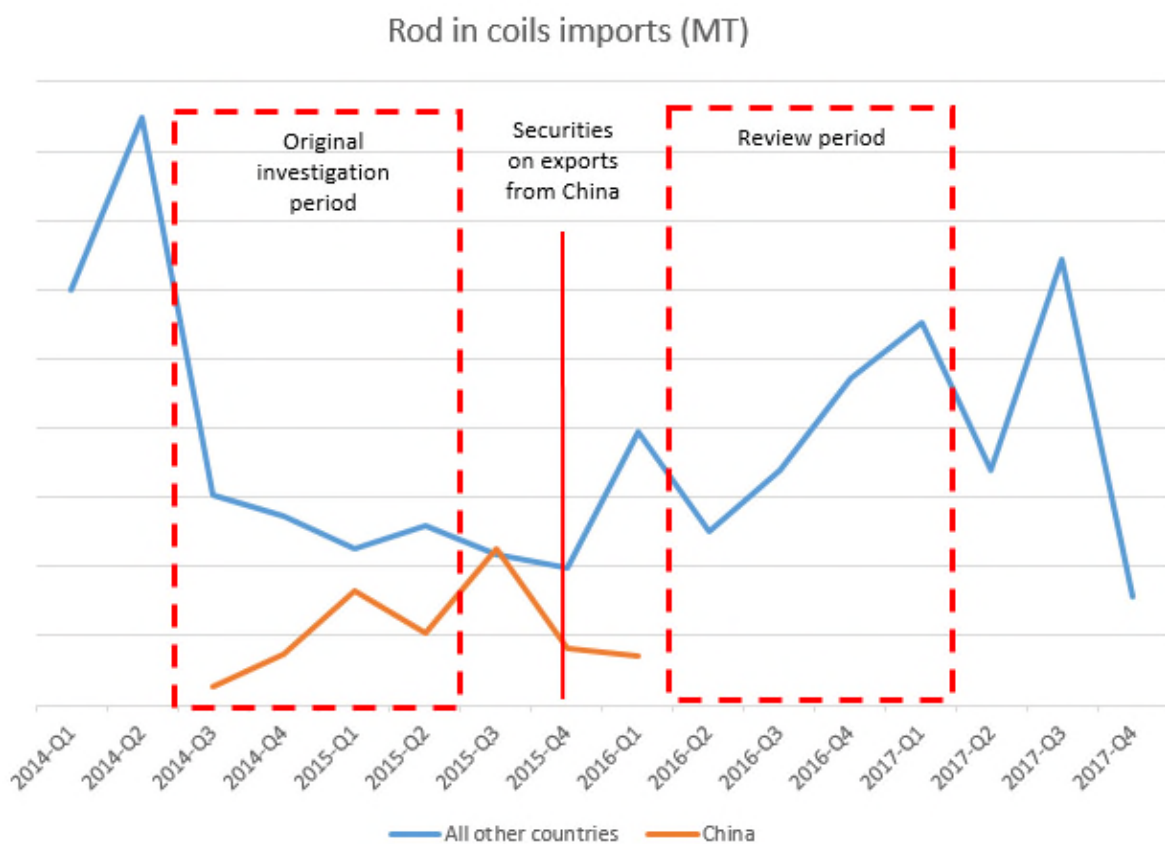


Figure 1

The exporters, in their submissions, have stated that dumping from other countries as well as the dumping measures placed on the applicants exports have prevented them from exporting to Australia.

The reason that there are dumping duties on the applicants' exports of the goods are fully within the control of the affected parties in the sense that they were priced and sold by the exporters willingly at that time, and were found to have been dumping. In terms of dumping occurring from countries other than China preventing the applicants from exporting, the Commission believes that it in no way prevents the applicants from exporting RIC to Australia. Regardless, the arguments made by the exporters misinterpret the legislation, as according to the explanatory memorandum, which

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defines factors outside the exporter's control as supply disruptions caused by natural events such as flooding or fire.

Factors affecting patterns of trade – subsection 269TAB(2A)(b)(iii)

The SEF stated that the Commission did not have any information regarding factors outside the exporters' control that would affect their patterns of trade. The explanatory memorandum to the amending legislation defines factors outside the exporter's control as supply disruptions or natural events that reduce production levels (e.g. a flood, drought or fire).

In their submissions in response to the SEF, the applicants stated that dumping from other countries, as well as the anti-dumping measures placed on the applicants' exports have prevented them from exporting to Australia.

The Commission considers that the anti-dumping measures in place in relation to the applicants' exports to Australia are not a result of factors outside their control. In fact the measures directly resulted from the behaviour of the applicants during the original investigation period, in the sense that the goods were priced and sold by the exporters willingly at that time, and were found to have been dumping.

In terms of dumping occurring from countries other than China preventing the applicants from exporting, the Commission considers that the behaviour of other exporters in no way prevents the applicants from exporting the goods to Australia.

Commission's consideration – subsection 269TAB(2A)

Having regard to the above, the Commission considers Hunan Valin, under subsection 269TAB(2A), to be a 'low volume' exporter. The Commission considers that there is insufficient or unreliable information to ascertain the export price due to an absence or low volume of exports. Hunan Valin previously exported the goods to Australia, despite the reduction in exports to Australia from China imports of RIC overall have remained steady and, the Commission is not aware of any factors affecting the patterns of trade that are beyond Hunan Valin's control.

The Commission therefore considers it appropriate to ascertain export prices under subsection 269TAB(2B). Under that subsection the Commission is able to determine an export price having regard to any of the following:

- a previous export price for the goods exported to Australia by Hunan Valin established in accordance with subsection 269TAB(1) for a decision of a kind mentioned in subsection 269TAB(2D);¹⁸
- the price paid or payable for like goods sold by Hunan Valin in arms length transactions for exportation from China to a third country determined by the Minister to be an appropriate third country;¹⁹

¹⁸ Subsection 269TAB(2B)(a)

¹⁹ Subsection 269TAB(2B)(b)

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- an export price for like goods exported to Australia from China by another exporter or exporters established in accordance with subsection 269TAB(1) for a decision mentioned in subsection 269TAB(2D).²⁰

Previous export price – subsection 269TAB(2B)(a)

Hunan Valin is listed on the notice pertaining to the original investigation and the Minister determined Hunan Valin's export price under subsection 269TAB(1) for the purposes of publishing the notice under subsection 269TG(2). This is Hunan Valin's current export price. The decision to publish a notice under subsection 269TG(2) is a decision mentioned in subsection 269TAB(2D). Therefore subsection 269TAB(2B)(a) is available for determining the export price.

Third country export price – subsection 269TAB(2B)(b)

Hunan Valin exported RIC to a number of third countries during the review period, therefore subsection 269TAB(2B)(b) is available for determining the export price.

Another exporter's export price – subsection 269TAB(2B)(c)

Another exporter (Shagang) is listed on the notice pertaining to the original investigation for which the Minister determined an export price under subsection 269TAB(1) for the purposes of publishing the notice under subsection 269TG(2). The decision to publish a notice under subsection 269TG(2) is a decision mentioned in subsection 269TAB(2D). Notice of the decision under subsection 269TG(2) was published on 22 April 2016, which is within two years before the notice of this review under subsection 269ZC(4) was published, which occurred on 24 May 2017.²¹ Therefore subsection 269TAB(2B)(c) is also available for determining the export price.

Commission's consideration – subsection 269TAB(2B)

All three options under subsection 269TAB(2B) are available for determining Hunan Valin's export price and there is no hierarchy in the Act.

The Commission has considered all three options and finds that ascertaining Hunan Valin's export price under 269TAB(2B)(a) having regard to its current export price established in accordance with subsection 269TAB(1) is the most appropriate as it reflects actual prices received by the particular exporter for the specific grades of the goods sold in the Australian market.

An export price based on Hunan Valin's third country sales would require the Minister to determine an appropriate third country from a large number of possible countries and make specification adjustments due to differences in grades and standards between that country and Australia.

Adjustments to the export price – subsection 269TAB(2G)

Subsection 269TAB(2G) allows the Minister to make adjustments to the export price ascertained under subsection 269TAB(2B) to reflect what the export price would have

²⁰ Subsection 269TAB(2B)(c)

²¹ Per subsection 269TAB(2E)

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been had there not been an absence of exports by Hunan Valin. Such adjustments may include:

- adjustments due to exports relating to earlier times (timing adjustment);²²
- adjustments due to exports relating to not identical goods (specification adjustment);²³

Hunan Valin's current export price is based on exports to Australia during the original investigation period 1 July 2014 to 30 June 2015. The Commission notes that global steel prices have moved since that time as depicted in Figure 2, below.

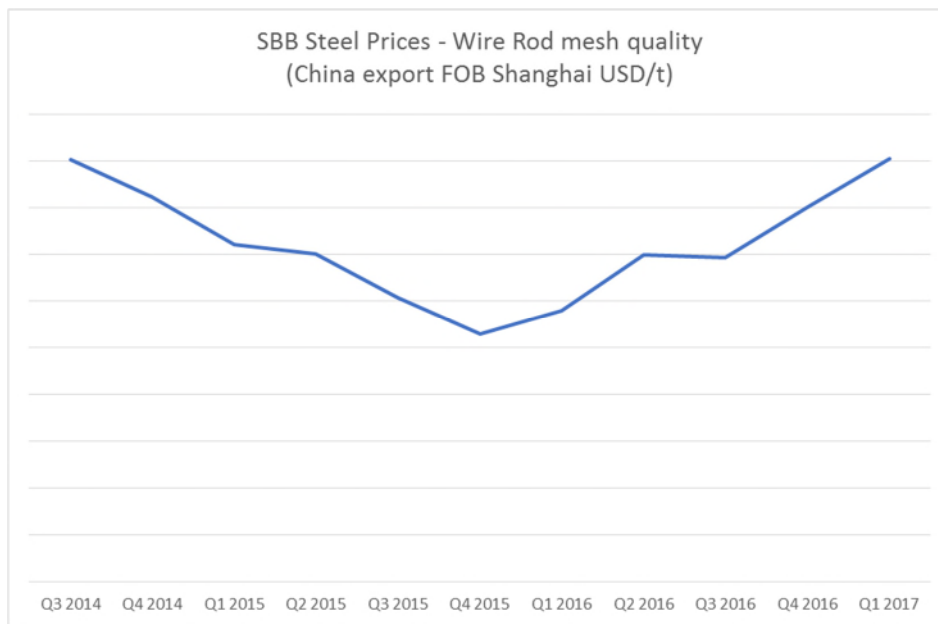


Figure 2

The Commission therefore considers that a timing adjustment is required to reflect what Hunan Valin's export price would have been during the review period had there not been an absence or low volume of exports. The Commission has used published steel pricing data from Platts, specifically the average price of RIC exported from China for the original investigation period compared to the average price of the same for the review period. The Commission notes that the average price for the review period is 1.6% lower than for the original investigation period. Accordingly, the Commission has adjusted the export price determined during the original investigation by decreasing it by 1.6% to reflect the lower prices for RIC during the review period.

As a result, the ascertained export price for Hunan Valin's exports of the goods has changed. Details of the export price calculations for Hunan Valin are at **Review 414 - Confidential Appendix 1**.

Submission by applicants regarding timing adjustment

In their submissions in response to the SEF, Hunan Valin and Shagang submitted that the Commission has erred in its determination of a timing adjustment under

²² Subsection 269TAB(2G)(a)

²³ Subsection 269TAB(2G)(b)

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subsection 269TAB(2G). They suggest that the Commission should calculate the timing adjustment factor based on the quarterly movement of prices between the original investigation period and the review period. In essence they suggest comparing the change in RIC prices from quarter 1 in the original investigation period to quarter 1 in the review period, and as such for the remaining quarters.

This approach, however, does not provide an accurate trend in the price of RIC between the original investigation period and the review period. Specifically, the individual respective quarters in 2014-2015 and 2016-2017 are not related in any way, but rather it is the overall trend in consecutive quarters in the interim time between periods which describes the change in price. Perhaps, if there was a seasonal function in the price of RIC, the exporters' claim may have more merit, but as it stands, the Commission considers that comparing one quarter in a different time frame to another without considering the interceding quarters is arbitrary.

In the case that the Commission did not agree with the exporters' submission relating to the aforementioned suggest timing adjustment, an alternative timing adjustment was also offered by the exporters. This methodology, as submitted by the exporters, suggest that the relative quarterly volumes of exports made by the exporters during the original investigation period be taken into account when calculating the timing adjustment factor.

The Commission disagrees with this method in that the aim of the timing adjustment factor is to discern the general price movement of RIC exported from China, which has little bearing on any individual exporter or the particular quarters within the respective period that a particular exporter exported the goods.

Submission made by Australian industry regarding timing adjustment for export prices

In its submission in response to the SEF, Liberty OneSteel Pty Ltd (OneSteel) states that rather than relying on Platts steel price data for determining an adjustment factor, it should instead use RIC price data obtained through Investigation 416 and the Australian Border Force import database. OneSteel's reasoning being that these data sets would provide a more accurate change in price for imported RIC into Australia, rather than the general price movement associated with Chinese exports.

The Commission, however, concludes that this approach is unreasonable as it would involve adjusting export prices from China by reference to export prices from countries other than China.

Furthermore, considering that exports from China have, since the imposition of measures, declined significantly, the Australian import price levels of RIC is unlikely to be indicative of Chinese exports. The index chosen by the Commission is therefore a more accurate guide to the movement of the import price of RIC from China.

4.3.3 Shagang

It is the Commission's view that the application of subsection 269TAB(1) would require Shagang to have exported the goods to Australia. As the Commission has found that Shagang did not export the goods to Australia during the review period, the Commission has considered whether the requirements of subsection 269TAB(2A)

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have been met, and therefore whether Shagang's export price is to be determined under 269TAB(2B).

For Shagang to be considered a 'low volume exporter' in accordance with subsection 269TAB(2A), the Minister must have regard to (i) previous volumes of exports by that exporter, (ii) patterns of trade for like goods, and (iii) factors affecting patterns of trade for like goods that are not within the control of the exporter.²⁴ The Commission has considered these elements as follows.

Previous volumes of exports by Shagang – subsection 269TAB(2A)(b)(i)

Shagang has previously exported the goods prior to the review period, during both the original investigation period (1 July 2014 to 30 June 2015) and subsequently. Shagang has not exported the goods to Australia since the March 2016 quarter.

Patterns of trade for like goods – subsection 269TAB(2A)(b)(ii)

As shown above in Figure 1, while exports from China to Australia declined markedly around the time securities were implemented on exports of the goods from China, exports from all other countries have continued at a similar level. The Commission interprets these results as the general market for the goods remaining persistent and that Shagang's absence of exports during the review period does not pertain to a general lack of exports or low volumes of exports to Australia.

Factors affecting patterns of trade – subsection 269TAB(2A)(b)(iii)

The SEF stated that the Commission did not have any information regarding factors outside the exporters' control that would affect their patterns of trade. The explanatory memorandum to the amending legislation defines factors outside the exporter's control as supply disruptions or natural events that reduce production levels (e.g. a flood, drought or fire).

In their submissions in response to the SEF, the applicants, including Shagang, stated that dumping from other countries, as well as the anti-dumping measures placed on the applicants' exports have prevented them from exporting to Australia.

The Commission does not consider these to be relevant factors beyond the applicants' control, as discussed above at 4.3.2.

Commission's consideration – subsection 269TAB(2A)

Having regard to the above, the Commission considers Shagang, under subsection 269TAB(2A), to be a 'low volume exporter' due to insufficient information to ascertain export prices under subsection 269TAB(1). Shagang previously exported the goods to Australia, and despite the reduction in exports to Australia from China, imports of RIC overall have remained steady and, the Commission is not aware of any factors affecting the patterns of trade that are beyond Shagang's control.

²⁴ Subsection 269TAB(2A)(b)

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The Commission therefore considers it appropriate to ascertain export prices under subsection 269TAB(2B). Under that subsection the Commission is able to determine an export price having regard to any of the following:

- a previous export price for the goods exported to Australia by Shagang established in accordance with subsection 269TAB(1) for a decision of a kind mentioned in subsection 269TAB(2D);²⁵
- the price paid or payable for like goods sold by Shagang in arms length transactions for exportation from China to a third country determined by the Minister to be an appropriate third country;²⁶
- an export price for like goods exported to Australia from China by another exporter or exporters established in accordance with subsection 269TAB(1) for a decision mentioned in subsection 269TAB(2D).²⁷

Previous export price – subsection 269TAB(2B)(a)

Shagang is listed on the notice pertaining to the original investigation and the Minister determined Shagang's export price under subsection 269TAB(1) for the purposes of publishing the notice under subsection 269TG(2). This is Shagang's current export price. The decision to publish a notice under subsection 269TG(2) is a decision mentioned in subsection 269TAB(2D). Therefore subsection 269TAB(2B)(a) is available for determining the export price.

Third country export price – subsection 269TAB(2B)(b)

Shagang exported the goods to a number of third countries during the review period, therefore subsection 269TAB(2B)(b) is available for determining the export price.

Another exporter's export price – subsection 269TAB(2B)(c)

Another exporter (Hunan Valin) is listed on the notice pertaining to the original investigation for which the Minister determined an export price under subsection 269TAB(1) for the purposes of publishing the notice under subsection 269TG(2). The decision to publish a notice under subsection 269TG(2) is a decision mentioned in subsection 269TAB(2D). Notice of the decision under subsection 269TG(2) was published on 22 April 2016, which is within two years before the notice of this review under subsection 269ZC(4) was published, which occurred on 24 May 2017.²⁸ Therefore subsection 269TAB(2B)(c) is also available for determining the export price.

Commission's consideration – subsection 269TAB(2B)

All three options under subsection 269TAB(2B) are available for determining Shagang's export price and there is no hierarchy in the Act.

The Commission has considered all three options and finds that ascertaining Shagang's export price under 269TAB(2B)(a) having regard to its current export price

²⁵ Subsection 269TAB(2B)(a)

²⁶ Subsection 269TAB(2B)(b)

²⁷ Subsection 269TAB(2B)(c)

²⁸ Per subsection 269TAB(2E)

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established in accordance with subsection 269TAB(1) is the most appropriate as it reflects actual prices received by the particular exporter for the specific grades of the goods sold in the Australian market.

An export price based on Shagang's third country sales would require the Minister to determine an appropriate third country from a large number of possible countries and make specification adjustments due to differences in grades and standards between that country and Australia.

Adjustments to the export price – subsection 269TAB(2G)

Subsection 269TAB(2G) allows the Minister to make adjustments to the export price ascertained under subsection 269TAB(2B) to reflect what the export price would have been had there not been an absence of exports by Shagang. Such adjustments may include:

- adjustments due to exports relating to earlier times (timing adjustment);²⁹
- adjustments due to exports relating to not identical goods (specification adjustment);³⁰

Shagang's current export price is based on exports to Australia during the original investigation period 1 July 2014 to 30 June 2015. The Commission notes that global steel prices have moved since that time, as depicted in Figure 2, above.

The Commission therefore considers that a timing adjustment is required to reflect what Shagang's export price would have been during the review period had there not been an absence or low volume of exports. The Commission has used published steel pricing data from Platts, specifically the average price of RIC exported from China for the original investigation period compared to the average price of the same for the review period. The Commission notes that the average price for the review period is 1.6% lower than for the original investigation period. Accordingly, the Commission has adjusted the export price determined during the original investigation by decreasing it by 1.6% to reflect the lower prices for RIC during the review period.

As a result, the ascertained export price applicable to exports of the goods by Shagang has changed. Details of the export price calculations for Shagang are at **Review 413 - Confidential Appendix 1**.

Submissions regarding timing adjustment

In their submissions in response to the SEF, the applicants and OneSteel raised concerns with the timing adjustment made under subsection 269TAB(2G). The Commission has addressed these concerns above at 4.3.2.

²⁹ Subsection 269TAB(2G)(a)

³⁰ Subsection 269TAB(2G)(b)

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 Assistant Minister 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),

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

Where such a 'particular 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

Investigation 301 established that, in accordance with subsection 269TAC(2)(a)(ii), a situation exists in the domestic Chinese market that renders domestic selling prices of RIC as being unsuitable for the purposes of determining normal values for RIC under subsection 269TAC(1), i.e. a particular market situation.

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 301, it was found that, in determining the cost of manufacture of the goods, the records of Chinese exporters of RIC did not reasonably reflect competitive market costs associated with the production and manufacture of those goods, for the purposes of section 43 of the *Customs (International Obligations) Regulation 2015* (the Regulation).

Specifically, the Commission then indicated that:

The Commission considers that direct and indirect influences of the Government of China affect Chinese manufacturers' costs to produce steel billet.

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Because steel billet costs represent a significant proportion of the cost to manufacture RIC, Investigation 301 replaced the steel billet costs recorded in the exporters' records in order to reflect a competitive market cost for steel billet when constructing normal values.

In the applications for these reviews, no claims were made regarding the particular market situation found in Investigation 301. Additionally, no submissions were made during or after the verification visits regarding the particular market situation found in Investigation 301.

After the Commission initiated the current reviews, a questionnaire was sent to the Government of China (GOC) to ascertain whether the market situation found in Investigation 301 had changed. The GOC, however, did not provide a response to the questionnaire.

Furthermore, the Commission considers that since the final report for Investigation 301 was published on 22 April 2016, it is unlikely the market situation found then has changed significantly. Additionally, both Hunan Valin and Shagang were cooperating exporters during the original investigation, and the Commission considers those companies are likely to be operating under similar conditions to that found in the original investigation. The Commission also notes that the GOC's 13th Five Year Economic Development Plan referenced in the market situation assessment for Investigation 301 is still current.³¹

In the absence of any information to indicate that the particular market situation found in Investigation 301 has 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 RIC industry in China.

The Commission therefore considers that a particular market situation for RIC 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 Shagang and Hunan Valin 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.

³¹ *Anti-Dumping Commission Report No. 301*, p. 58

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 Regulation.

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 Assistant Minister 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 applicant's recorded costs of steel billet do not reflect competitive market costs.

Approach to replacing steel billet costs in Investigation 301

In Investigation 301, the Commission substituted the cooperating exporters' fully absorbed steel billet cost to make (CTM) values with the corresponding Latin American free on board (FOB) level steel billet export price from Platts for the month minus an average rate of profit that the Chinese exporters realised for the sale of billets in their domestic market.

Approach to replacing steel billet costs in current reviews

For the purpose of these reviews, the Commission has available to it verified steel billet costs obtained from cooperating exporters and manufacturers in Investigations 416 and 418 for the period 1 April 2016 to 31 March 2017. The Commission considers that in the current case these verified costs most accurately reflect the cost of production of steel billet relevant to the manufacture of the goods exported to Australia during the review period.

Given that the applicants are fully-integrated manufacturers of the goods, and given the availability of verified and relevant information from Investigations 416 and 418, the Commission considers that it is appropriate to use verified costs of steel billet manufacturers (at comparable terms) in Indonesia, Spain, and Taiwan for the purpose of replacing the applicants' steel billet costs.

Details of the competitive market cost benchmark calculation is at **Confidential Appendix 1 – Steel billet benchmark**.

4.5.2 Submissions regarding steel billet benchmark

Submissions from applicants regarding steel billet benchmark calculation

The applicants have submitted that, because the applicants are all integrated steel producers, an amount for profit should be deducted from those non-integrated exporters included in the benchmark calculation. This profit amount would be to ensure that the billet costs are comparable between non-integrated and integrated manufacturers of RIC, as those non-integrated producers would be buying billet from suppliers who would, presumably be making a profit from the sale.

The Commission agrees with the premise of the applicants' submission, but has instead removed non-integrated producers from the calculation of the competitive benchmark for billet, to ensure that the billet costs are more comparable to the applicants'.

In its submission, Shagang argued that the benchmark billet cost calculated does not factor in the product mix underpinning its original ascertained export price from the original investigation. Because Shagang exported only low-carbon wire rod, it argues that the benchmark billet cost might overstate its replaced raw material cost.

The Commission, however, cannot separate out billet grade for two of the three exporters used in the benchmark calculation. For the third exporter used in the calculation of the billet benchmark cost, the different in cost between grades is negligible. Furthermore, had the Commission used the methodology from the original investigation, it would still be unable to adjust the benchmark for billet grade.

Submission from Australian industry

The Australian industry raised concerns that artificially low electricity prices in Vietnam, as discerned in Investigation 416, might make it unsuitable to include Vietnamese producers in the Commission's calculation of a billet benchmark cost. The Commission confirms that no producers from Vietnam are included in the calculation of its billet benchmark cost.

4.6 Determination of constructed normal values

4.6.1 Hunan Valin

As outlined in section 4.4.2 of this report, the Commission considers the steel billet costs provided by Hunan Valin do not reasonably reflect competitive market costs. Therefore, the Commission has replaced Hunan Valin's steel billet costs with a competitive market 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 Hunan Valin 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.

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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 like goods. The calculation of this profit margin was based on domestic sales of like goods in the ordinary course of trade, the selling prices of which were compared to Hunan Valin's actual cost to make and sell of those goods (i.e. prior to replacing Hunan Valin's recorded steel billet costs as discussed above).

In order to ensure the normal value is properly comparable with the export price of the goods, the Commission adjusted Hunan Valin's normal value in accordance with subsection 269TAC(9). The normal value for Hunan Valin has been calculated at the FOB level, cash terms. The below table summarises the adjustments made to Hunan Valin's normal value.

Adjustment Type	Deduction/addition
Export inland freight, handling and port charges	Add the cost of inland freight, handling and port charges
Non-refundable VAT	Add the portion of non-refundable VAT, on the assumption that the goods, instead of being sold domestically, were to have been exported.

The resulting ascertained normal value for Hunan Valin in respect of RIC has changed since Investigation 301.

Submission in response to the SEF

Hunan Valin has submitted that in the normal value calculations for the SEF, the Commission erred in using a normal value that included costs and profits from all domestic models of like goods.

In the case of profit, the Commission concludes that it has acted in accordance with Regulation 45(2), in that profit was calculated on all like goods sold on the domestic market in the ordinary course of trade.

The Commission has, for the final report, used only costs from comparable models from Hunan Valin's domestic sales to those that were originally included in its export price ascertained in Investigation 301.

Hunan Valin also submitted that selling, general and administrative costs, as a percentage, were applied to an uplifted cost to make. This has been corrected so that selling, general and administrative costs have been applied, in percentage terms, to its actual cost to make.

Details of the preliminary normal value calculations for Hunan Valin are at **Review 414 - Confidential Appendices 2 to 4**.

4.6.2 Shagang

As outlined in section 4.4.2 of this report, the Commission considers the steel billet costs provided by Shagang do not reasonably reflect competitive market costs. Therefore, the Commission has replaced Shagang’s steel billet costs with a competitive market 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 Shagang 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 like goods. The calculation of this profit margin was based on domestic sales of like goods in the ordinary course of trade, the selling prices of which were compared to Shagang’s actual cost to make and sell of those goods (i.e. prior to replacing Shagang’s recorded steel billet costs as discussed above).

In order to ensure the normal value is properly comparable with the export price of the goods, the Commission adjusted Shagang’s normal value in accordance with subsection 269TAC(9). The normal value for Shagang has been calculated at the FOB level, cash terms. The below table summarises the adjustments made to Shagang’s normal value.

Adjustment Type	Deduction/addition
Export inland freight, handling and port charges	Add the cost of inland freight, handling and port charges
Non-refundable VAT	Add the portion of non-refundable VAT, on the assumption that the goods, instead of being sold domestically, were to have been exported.

Submission in response to the SEF

Shagang has submitted that in the normal value calculations for the SEF, the Commission erred in using a normal value that included costs and profits from all domestic models of like goods.

The Commission has, for the final report, used only costs from comparable models from Shagang’s domestic sales to those that were originally included in its export price ascertained in Investigation 301.

Shagang submitted, in response to the SEF, that the incorrect material costs were used in the calculation of its normal value. This has now been corrected.

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The resulting ascertained normal value for Shagang in respect of RIC has changed since Investigation 301.

Details of the preliminary normal value calculations for Shagang are at **Review 413 - Confidential Appendices 2 to 4**.

4.7 Dumping margins

In the SEF, for Hunan Valin and Shagang, the Commission used the single weighted average export price from the original investigation (adjusted for timing) and compared it to a single weighted average normal value calculated from domestic sales of all like goods. For the final report, however, the Commission has instead compared export prices by model to the normal values by model. This method ensures that the product mix captured by the time-adjusted export prices also corresponds to the normal values ascertained in these reviews.

Furthermore, the dumping margin calculations for this final report have also included an amount for the non-refundable VAT on the normal value, which was stated to be included in the calculations for the SEF, but was not.

The Commission has determined dumping margins for Hunan Valin and Shagang under subsection 269TACB(2)(a) by comparing the weighted average export price over the review period with the weighted average of corresponding normal values over that period. The resulting dumping margins are detailed below.

Hunan Valin	Shagang
24.3 per cent	24.2 per cent

Details of the dumping margin calculations for the two exporters are at **Review 413 - Confidential Appendix 5** and **Review 414 - Confidential Appendix 5**.

5 NON-INJURIOUS PRICE

5.1 Introduction

Dumping duties³² may be imposed where the Assistant Minister is satisfied that dumped exports of the goods to Australia have caused or threatened to cause material injury to the Australian industry producing like goods. Under subsection 269TACA(a) 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 goods.

Pursuant to subsection 8(5BAA) of the *Customs Tariff (Anti-Dumping) Act 1975*, the Assistant Minister is not required to have regard to the desirability of fixing a lesser amount of duty if he is satisfied that either or both of the following apply in relation to the goods the subject of the notice:

- a) the normal value of the goods was not ascertained under subsection 269TAC(1) because of the operation of subsection 269TAC(2)(a)(ii);
- b) there is an Australian industry in respect of like goods that consists of at least two small-medium enterprises, whether or not that industry consists of other enterprises.

5.2 Commission's assessment

The Commission has found that, in accordance with subsection 269TAC(2)(a)(ii), the normal value of RIC exported to Australia from China cannot be ascertained under subsection 269TAC(1) because the situation in the Chinese market is such that sales in that market are not suitable for use in determining a price under subsection 269TAC(1). As such, the Commission notes that the Assistant Minister is not required to have regard to the desirability of fixing a lesser rate of duty.

³² In the form of a dumping duty notice under subsection 269TG(1) or (2) of the Act.

6 FINDINGS AND RECOMMENDATIONS

6.1 Findings

The Commissioner has found, in relation to exports of RIC to Australia from China by the applicants, that:

- the ascertained export price has changed;
- the ascertained normal value has changed; and
- due to the existence of a 'particular market situation' the Assistant Minister is not required to have regard to the desirability of fixing a lesser rate of duty.

6.2 Recommendations

The Commissioner recommends that the Assistant Minister **declare**:

- in accordance with subsection 269ZDB(1)(a)(iii), with effect from the day following publication of the notice declaring the outcome of the reviews, and for the purposes of the Act and the Dumping Duty Act, the dumping duty notice is taken to have effect in relation to Hunan Valin and Shagang as if different variable factors, as set out in **Confidential Appendix 2**, had been fixed relevant to the determination of duty.

The Commissioner recommends the Assistant Minister **be satisfied that**:

- in accordance with subsection 269TAC(2)(a)(ii), the normal value of RIC exported to Australia from China by Hunan Valin and Shagang cannot be ascertained under subsection 269TAC(1) because the situation in the market of China is such that sales in that market are not suitable for use in determining a price under subsection 269TAC(1).

The Commissioner recommends the Assistant Minister **determine**:

- in accordance with subsection 269TAB(2A)(b), that there is insufficient or unreliable information to ascertain the export price for Hunan Valin and Shagang due to an absence of exports of those goods to Australia by those exporters having regard to previous volumes of exports of those goods to Australia by each exporter, patterns of trade for like goods, and factors affecting patterns of trade for like goods that are not within the control of each exporter;
- in accordance with subsection 269TAB(2B)(a), that the export price for the goods exported to Australia by Hunan Valin and Shagang be the export price established in accordance with subsection 269TAB(1) for the decision to publish a dumping duty notice under subsection 269TG(2) made by the then Assistant Minister on 22 April 2016, as adjusted in accordance with subsection 269TAB(2G)(a), as set out in **sections 4.6.1** and **4.6.2** of the report, to reflect what the export price would have been had there not been an absence of exports;

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- in accordance with subsection 269TAC(2)(c), that the normal value of RIC exported from China by Hunan Valin and Shagang is the sum of:
 - the cost of production or manufacture of RIC in China as set out in **Review 413 - Confidential Appendix 2** and **Review 414 - Confidential Appendix 2**, and
 - on the assumption that the RIC, instead of being exported, had been sold for home consumption in the ordinary course of trade in China, the administrative, selling and general costs associated with the sale and the profit on that sale as set out in **Review 413 - Confidential Appendix 2** and **Review 414 - Confidential Appendix 2**,

as adjusted in accordance with subsection 269TAC(9), as set out in **sections 4.6.1** and **4.6.2** of the report, to ensure that the normal value of the goods so ascertained is properly comparable to the export price of the goods; and

- in accordance with subsection 8(5) of the Dumping Duty Act, that the interim dumping duty payable in respect of RIC exported to Australia from China by Hunan Valin and Shagang is an amount which will be worked out in accordance with the combination of fixed and variable duty method pursuant to subsection 5(2) of the *Customs Tariff (Anti-Dumping) Regulation 2013*.

The Commissioner recommends the Assistant Minister **deem**:

- in accordance with subsection 269TAB(2C), exports by Hunan Valin and Shagang to have occurred for the purposes of applying subsections 269TAB(2A) and 269TAB(2B) to those exporters.

6.3 Proposed form of duty

The current anti-dumping measures are in the form of *ad valorem* duty, i.e. a proportion of the export price equivalent to the dumping margin.³³

In Anti-Dumping Commission Report No. 301 the Commission stated the reasons for recommending *ad valorem* measures as follows:

- the high dumping margins reduce the likelihood for significant reduction in export prices to avoid the intended effect of the duties;
- the measures will better reflect changes in the market (raw material prices can fluctuate dramatically, reducing the effectiveness of floor prices);
- *ad valorem* measures remove significant variability in the effective rate of duty;
- the *ad valorem* method does not need to be reviewed as often as other duty methods; and
- the measures will be effective in mitigating the injury by preventing the continuation of significant price undercutting.

³³ Per subsection 5(7) of the *Customs Tariff (Anti-Dumping) Regulation 2013*.

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The Commission notes that as a result of this review, the dumping margins applicable to Hunan Valin and Shagang will reduce from greater than 37 per cent, to 24 per cent. The Commission considers that in these circumstances *ad valorem* measures would not be as effective in mitigating the injury that the measures were intended to prevent.

Therefore the Commissioner recommends to the Assistant Minister that the form of measures applicable to Hunan Valin and Shagang be changed to the combination duty method, i.e. a combination of fixed and variable duty.³⁴ The fixed component will be an amount calculated at the dumping margins shown in section 4.7 and the variable component will be applicable where the actual export price is below the ascertained export price.

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

³⁴ Per subsection 5(2) of the *Customs Tariff (Anti-Dumping) Regulation 2013*.

7 LIST OF APPENDICES AND ATTACHMENTS

Confidential Appendix 1	Steel billet benchmark
Confidential Appendix 2	Summary of variable factors
Review 413 - Confidential Appendix 1	Export price - Shagang
Review 413 - Confidential Appendix 2	Cost to make and sell - Shagang
Review 413 - Confidential Appendix 3	Domestic sales and profit - Shagang
Review 413 – Confidential Appendix 4	Normal value - Shagang
Review 413 – Confidential Appendix 5	Dumping Margin - Shagang
Review 414 - Confidential Appendix 1	Export price - Hunan Valin
Review 414 - Confidential Appendix 2	Cost to make and sell - Hunan Valin
Review 414 - Confidential Appendix 3	Domestic sales and profit - Hunan Valin
Review 414 – Confidential Appendix 4	Normal value - Hunan Valin
Review 414 – Confidential Appendix 5	Dumping Margin - Hunan Valin