



Australian Government

Australian Customs and
Border Protection Service

International Trade Remedies Branch

GOVERNMENT QUESTIONNAIRE – THAILAND

PRODUCT CONCERNED: HSS FROM THE PEOPLE'S REPUBLIC OF CHINA, THE REPUBLIC OF KOREA, MALAYSIA, TAIWAN AND THE KINGDOM OF THAILAND

INVESTIGATION PERIOD: 1 JULY 2010 TO 30 JUNE 2011

RESPONSE DUE BY: 9 NOVEMBER 2011

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Please note that a non-confidential version of the reply to this questionnaire must also be provided.

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ABBREVIATIONS

the Act	the <i>Customs Act 1901</i>
China	the People's Republic of China
CTMS	cost to make and sell
Customs and Border Protection	the Australian Customs and Border Protection Service
GUC or 'the goods'	the goods the subject of the application (HSS)
HRS	hot-rolled steel
HSS	certain hollow structural sections
the investigation period	1 July 2010 to 30 June 2011
Korea	the Republic of Korea
OneSteel ATM	OneSteel Australian Tube Mills Pty Ltd
Thailand	the Kingdom of Thailand

BACKGROUND AND GENERAL INSTRUCTIONS**Background**

The Australian Customs and Border Protection Service (Customs and Border Protection) has initiated an investigation into allegations that certain hollow structural sections (HSS) from the People's Republic of China (China), the Republic of Korea (Korea), Malaysia, Taiwan and the Kingdom of Thailand (Thailand) have been exported to Australia at dumped prices, and because of that dumping, material injury has been caused to an Australian industry producing like goods; and

The abovementioned dumping investigation involves allegations that there is a situation within both the domestic Chinese and Thai HSS markets that renders sales within those markets unsuitable for determining normal values under s.269TAC(1) of the Customs Act 1901 (the Act) (i.e. that a 'particular market situation' exists in these markets).

In the case of Thailand, this claim relates to the notion that the Thai Government (through the Ministry of Commerce) may be involved in regulating the price the major steel raw material (hot rolled coil or HRC) and that a particular market situation in the HSS market develops as a result.

Consequently, this questionnaire focuses on the Thai HRC market, as well as the Thai *Price of Goods and Services Act (1999)*, which Customs and Border Protection understand provides for the regulation of the price of goods and services in Thailand.

Product concerned**Description**

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

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

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

The application includes the following information to clarify the nature of the goods.

Finishes

All HSS regardless of finish is included in the application. Finish types for the goods include in-line galvanised (ILG), pre-galvanised, hot-dipped galvanised (HDG) and non-galvanised HSS. Non-galvanised HSS is typically of painted, black, lacquered or oiled finished coatings.

CHS with other than plain ends (such as threaded, swaged and shouldered) are also included in the application.

Standards

HSS is generally produced to either the British Standard BS 1387 or the Australian Standard AS 1163 or international equivalent standards (including ASTM/JIS and KS). HSS can also be categorised according to minimum yield strength. The most common classifications are 250 and 350 mega Pascals (MPa).

HSS may also be referred to as extra-light, light, medium or extra heavy according to its wall thickness.

Excluded goods

The following categories are excluded from the goods subject of the application:

- conveyor tube (made for high speed idler rolls on conveyor systems, with inner and outer fin protrusions removed by scarfing (not exceeding 0.1 mm on outer surface and 0.25 mm on inner surface), and out of round standards (i.e. ovality) which do not exceed 0.6 mm in order to maintain vibration free rotation and minimum wind noise during operation);
- precision RHS with a nominal thickness of less than 1.6mm (is not used in structural applications); and
- air heater tubes to AS 2556.

Tariff classification

The application stated that the goods are classified to the following tariff subheadings:

- 7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36 and 37)
- 7306.61.00 (statistical codes 21, 22 and 23)
- 7306.69.00 (statistical codes 26, 27 and 28)

The goods exported to Australia from Korea and Taiwan are subject to a 5% rate of duty.

For Thailand and Malaysia the goods exported to Australia are subject to a 4% rate of duty.

The goods exported to Australia from Thailand using Thailand Free Trade Agreement are free from duty as of 1 January 2010.

There are numerous Tariff Concession Orders applicable to the relevant tariff subheadings.

Investigation period

The existence and amount of any dumping in relation to HSS exported to Australia from Thailand will be determined on the basis of an investigation period from 1 July 2010 to 30 June 2011 (hereinafter referred to as 'the investigation period').

Customs and Border Protection will examine details of the Australian market from 1 July 2007 for injury analysis purposes.

Purpose of this questionnaire

The purpose of this questionnaire is to assist Customs and Border Protection to obtain the information from the Thai Government it considers necessary for investigating the allegation that there is a particular market situation in the domestic market for HSS in Thailand.

A separate questionnaire will be sent to Thai exporters of HSS that chose to cooperate with the investigation. This exporter questionnaire also has a section requesting information on particular market situation.

Response to this questionnaire

The Thai Government does not have to complete the questionnaire.

However, if the Thai Government does not respond Customs and Border Protection may be required to rely on information supplied by other parties (possibly information supplied by the Australian industry – the applicant for anti-dumping and countervailing measures).

Therefore, it is considered to be in the Thai Government's interests, and the interest of Thai exporters of HSS, to provide a complete response.

If the Thai Government chooses to respond to this questionnaire, the response is due on **9 November 2011**.

If you decide to respond

Should the Thai Government choose to provide a response to this questionnaire, please note the following.

Confidential and non-confidential versions

If the Thai Government chooses to respond to this questionnaire, you are required to lodge a confidential and a non-confidential version of your submission by the due date.

In submitting these versions, please ensure that each page of the information you provide is clearly marked either "IN-CONFIDENCE" or "NON-CONFIDENTIAL" in the header and footer.

All information provided to Customs and Border Protection in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the Public Record, which all interested parties can access.

Your non-confidential submission must contain sufficient detail to allow a reasonable understanding of the substance of the confidential version. If, for some reason, you cannot produce a non-confidential summary, contact the investigation case officer (see contact details on Page 1 of this questionnaire).

Declaration

You are required to make a declaration that the information contained in the Thai Government's response is complete and correct. You must return the signed declaration of an authorised Thai Government official at Section E of this questionnaire with the Thai Government's response.

Coordination of responses

In completing the questionnaire, if a question requires information from other authorities (e.g. provincial or local governments, state owned entities, etc.) please forward the questions to the correct source.

However, it is the responsibility of the Thai Government to ensure that a full and complete response to all sections of the questionnaire is submitted, and that responses from all levels of government, agencies and/or other applicable entities are collated and coordinated in the one response.

Consultants/parties acting on your behalf

If you intend to have another party acting on your behalf please advise Customs and Border Protection of the relevant details.

Customs and Border Protection will generally require a written authorisation from the Thai Government for any party acting on its behalf.

Provision of documents

Numerous documents are requested from the Thai Government throughout this questionnaire. In many cases, the titles or description of these documents within the questionnaire may not correlate to the official title that the Thai Government has granted each document, but is rather a descriptor of the document to the best of Customs and Border Protection's knowledge.

If the listed title is unknown to the Thai Government but a document that appears to be similar to the requested document, relates to a similar topic area, or otherwise would be considered to contain useful information is identified by the Thai Government, please provide this document.

Further, when providing requested documents, please indicate whether the documents:

- are current/in force;
- were current/in force during the investigation period; or
- have been repealed, revised or superseded.

Where the documents have been repealed, revised or superseded, where applicable:

- indicate when this revision occurred;
- provide any notice of repeal;
- provide the revised version;
- provide the document that supersedes the requested document; and;
- indicate whether the revised version was in force during the investigation period.

Lodgement

You may lodge your response by mailing it to the address for lodgement shown on the front cover of this questionnaire.

Alternatively you are welcome to lodge your response by email. The email address for lodgement is shown on the front cover of this questionnaire. If you lodge by email you are still required to provide a confidential and a non-confidential version of your submission by the due date.

Further questions

Please note that Customs and Border Protection may wish to ask further questions of the Thai Government that are not within this questionnaire. Any additional questions will be posed to the Thai Government in the form of supplementary questionnaires.

General matters

Responses to questions should:

- be as accurate and complete as possible, and attach all relevant supporting documents,¹ even where not specifically requested in this questionnaire;

¹ This includes, but is not limited to, any laws, decrees, regulations, statements of policy, or other administrative guidelines. In each case, include any legislative history as well as other descriptive materials and explanations of the criteria underlying the decisions relating to each of the programmes

- be in English (with fully translated versions of all requested and other applicable documents submitted);
- list your source(s) of information for each question;
- identify all units of measurement used in any tables, lists and calculations;
- show any amounts in the currency in which they were originally denominated.

Please note that references throughout this questionnaire to companies benefiting from a particular program should be read as including any parent and otherwise associated companies, and, if the company has been subject to merger or acquisition, any former associated companies or former parent companies.

Please note that answers such as: "Not Applicable" or an answer that only refers to an exhibit or an attachment may not be considered by Customs and Border Protection to be adequate. We therefore suggest that in answering the questions you outline the key elements of your response in the primary submission document, rather than merely pointing to supporting documents of varying degrees of relevance and reliability as your answer.

Throughout this questionnaire, the term 'Thai Government' has been used, and refers to all levels of government in Thailand collectively (including national, regional and local governments). In responding to this questionnaire, provide complete responses for all levels of government in Thailand.

Clarification

If you have any difficulties in completing the questionnaire, or require clarification on any questions asked, contact the case manager as soon as possible (contact details are provided on Page 1 of this questionnaire).

Future questions and verification

Customs and Border Protection may seek to carry out a visit to the Thai Government to examine relevant records and to verify the information provided. It is common practice for Customs and Border Protection officers to visit government officials, exporters and manufacturer(s) of the subject goods in order to verify the information submitted. You will be contacted in advance of such a meeting to obtain your consent to make arrangements as to the time and place of the verification meeting.

A complete response, including all of the documentation requested, must be submitted to Customs and Border Protection before a verification meeting will be considered.

mentioned in this questionnaire. If applicable, a sample of each of the applications that a company must complete to participate in each of the programs should also be included.

If such a verification is undertaken, it is preferable that the key government officials involved in preparing the response and who have knowledge of the source documentation and the information contained therein be available to meet with Customs and Border Protection officers and to provide additional clarification and explanation, as required.

If verification meetings are unreasonably delayed, cancelled, or otherwise hindered by the Thai Government, the assessment of a particular market situation may be based on the facts available to Customs and Border Protection.

The purpose of the verification meeting is to verify information already provided to Customs and Border Protection in your submission prior to the meeting. It is not intended to be a second opportunity for the Thai Government to provide new or additional information. Accordingly, your original response should be complete and accurate.

PARTICULAR MARKET SITUATION QUESTIONS**PART A – INTRODUCTORY QUESTIONS**

- A1** Identify the administration co-ordinating the response to this questionnaire and provide the name and contact details of the official(s) (including email address) who can be contacted in the future.

This person(s) should be the one(s) Customs and Border Protection can contact in respect of any further inquiries Customs and Border Protection may have concerning the questionnaire response and to arrange any verification visits Customs and Border Protection may request.

- A2** It is Customs and Border Protection's understanding that the Thai hot rolled steel market is made up entirely of hot rolled steel coil (HRC) (i.e. the market does not include any narrow steel strip).

Advise whether this is correct.

If not, in your response to questions relating to hot-rolled steel coil (HRC) below, please also include information on other types of hot rolled steel and separate your responses to differentiate HRC and other forms of hot rolled steel within the Thai market.

- A3** Describe the nature and structure of:

- (a) the HSS industry and market sector in Thailand;
- (b) the HRC industry and market sector in Thailand.

Without limiting your response, include information concerning:

- the total size (value and quantity) of the industries separately for the period 1 July 2006 – 30 June 2011, indicating:
 - domestic production by type of enterprise (e.g. state-owned, foreign invested, domestic private)
 - total imports (including source of imports)
 - total exports
 - the identity of key domestic manufacturers
 - the extent of vertical integration in the industries;
 - the extent of the reliance on imported steel and steel raw materials (including upstream raw materials such as coal); and
 - government involvement at each level of the industry including the extent of any restrictions, quotas or limits on the production volumes of these industries.
- A4** Provide a list of all Thai HSS producers and/or exporters that have produced and/or exported HSS destined for Australia during the investigation period.

This listing will be referred to as 'your response to Question A4'

throughout this questionnaire.

Within this list, indicate the following:

- the business' location (city/town and province);
- whether the business is a producer, producer/exporter or trader of HSS;
- the ownership structure of the business, including indirect ownership through associated companies (i.e. wholly or partially state-owned, private, co-operative, FIE or joint venture); and
- if the business is not state-owned, whether it is otherwise associated with the Thai Government.

For all companies that are state owned, indicate the percentage ownership held by the Thai Government during the investigation period.

For all companies that are otherwise associated with the Thai Government, explain this association as it was during the investigation period.

- A5** Provide a list of all manufacturers/producers of HRC in Thailand that produced HRC during the investigation period.

This listing will be referred to as 'your response to Question A5' throughout this questionnaire.

Within this list, indicate the following:

- the business' location (city/town and province);
- the ownership structure of the business, including indirect ownership through associated companies (i.e. wholly or partially state-owned, private, co-operative, FIE or joint venture);
- if the business is not state-owned, whether it is otherwise associated with the Thai Government;
- whether the entity produces HRC, narrow strip, or both.

For all companies that are state owned, indicate the percentage ownership held by the Thai Government during the investigation period.

For all companies that are otherwise associated with the Thai Government, explain this association as it was during the investigation period.

- A6** Provide the names and addresses of all national, provincial and regional producer organisations that represent the interests of HSS and HRC manufacturers and traders in Thailand.

- A7** Provide total volume and value of the following (sourced from official government statistics) for the period **1 July 2006 to 30 June 2011**, in domestic currency and Australian dollars.

Indicate the source of the information.

- (a) Exports of HSS to Australia.
- (b) Exports of HSS to Australia, by company.

For export and import values, specify if the value is based on ex-factory, F.O.B. (port, shipping point, etc.), C.I.F. or some other value.

- A9** Within the World Trade Organisation 2007 Trade Policy Review Report by Thailand (WT/TPR/G/191), it is stated at page 113 – 114:

Thailand places emphasis on structural reforms aimed at enhancing the country's competitiveness, and advancing to a high-performance economy by making its production base more skill- and knowledge-intensive. Its current sectoral strategic plans classify industries into four groups: (i) potential industries (electronics, automobiles, textiles, rubber, petrochemicals and plastics, and processed food); (ii) improving industries (electrical appliances, furniture, steel, and pharmaceuticals); (iii) survival industries (machinery and shipbuilding); and (iv) new wave industries (bio-fuel and bio-products).

- (a) Explain what each classification (potential, improving and survival industries) refers to.
- (b) Does classification into one of these types of industries translate to the Government of Thailand paying specific attention to, encouraging, or otherwise differentially treating these industries? Provide details.

- A10** The application refers to the *Products under Supervisory for 200 Items* listing.

- (a) Provide a current copy of this list, as well as copies of the listing for the period 1 July 2006 – 30 June 2011.
- (b) Explain the purpose of this list.
- (c) Explain what entity monitors this listing.
- (d) Is this listing related to the *Price of Goods and Services Act* (discussed in Section D below)? Provide details of how.
- (e) If the listing is made in relation to a different law, regulation, notice or other Thai government directive, provide details of this and copies of any relevant documents.
- (f) Explain what each category of supervised items within this listing means.
- (g) Explain what inclusion on the listing means. Does it entitle/impose differential treatment on producers of these goods/services? Provide details.
- (h) How frequently is this list reviewed?

- (i) What criteria are taken into account when adding/removing items from this listing?

PART B - THE THAI STEEL AND HSS SECTORS

- B1** Identify and provide an explanation of the specific roles and responsibilities of government departments, agencies or institutions, which are directly or indirectly involved in economic policy development, economic regulation and decision-making activities with respect to the HSS and steel sectors.
- B2** Provide a list and copies of any specific laws, decrees, rules, promulgations, edicts, opinions, measures, regulations and directives regarding:

- (a) the regulation of steel prices (including HRC); and
(b) the regulation of HSS prices.

- B3** Identify the specific government department or institution responsible for the above-mentioned laws and regulations in Question C3.
- B4** The application alleges that the price of HRC in Thailand is subject to price regulation (specifically a price 'ceiling') by the Thai Government (through the Ministry of Commerce).

Confirm whether HRC in Thailand is subject to any form of price regulation by the Thai Government. If so, answer the following questions:

- (a) Describe the nature of the price regulation in place.
(b) Explain the rationale and aim of this price regulation.
(c) Identify exactly what products are subject to this price regulation.
(d) Is this regulation taken under the *Price of Goods and Services Act* (discussed in Section D below)? If not, is this price regulation undertaken under any other law, regulation, circular or government directive? Provide details and a fully translated copy.
(e) Identify how long the price regulation has been in place, whether it was in place throughout the investigation period, and whether there are any plans to remove/vary the price regulation in the future.
(f) Provide a schedule showing the level of price regulations on HRC for the period 1 July 2001 to 30 June 2011.
- B5** Identify any other goods and services in the steel sector (including steel raw materials) whose prices are currently regulated or guided by the Thai Government, or were regulated by the Thai Government during the period 1 July 2006 – 30 June 2011.

Fully explain the level, nature of and rationale for these price regulations or guidelines. Your response should identify any prices in the steel sector that are regulated or guided by any level of government (provincial, municipal or local).

Provide a schedule showing the level of all these regulations for the period 1 July 2001 to 30 June 2011.

B6 (a) Provide a copy of 'No. Por 1/2550 Promotion policy on manufacture of basic steel for manufacture of high-quality Steef'.

(b) Advise the purpose of this policy.

(c) Advise what 'promotion' of the basic steel for manufacture of high-quality steel was undertaken under this policy.

(d) Provide an explanation/listing of products considered to be 'high-quality steel' and 'basic steel'.

PART C - THE PRICE OF GOODS AND SERVICES ACT (1999)

The following questions refer to the provisions of the *Price of Goods and Services Act (1999)* hereafter referred to as the 'Price Act'.²

C1 Provide a fully translated copy of the Price Act.

C2 Provide fully translated copies of any laws, regulations, notifications, circular, regulations or any other government-issued documents that relate to the Price Act.

C3 What is the purpose/function of the Price Act?

C4 Advise whether the act is current, was in force during the investigation period.

If the act is not current, or has been repealed:

(a) advise when this occurred;

(b) advise whether the act was superseded/replaced by another act;

(c) provide a copy of any act, regulations, or other government-issued document that supersedes the Price Act.

C5 Are there any other laws, regulations, notices or government-issued documents in Thailand that also relate to the pricing of goods within Thailand? If so, provide translated copies of these acts and provide an explanation of the aim/purpose of these.

² Accessed by Customs and Border Protection at http://www.asianlii.org/th/legis/consol_act/pogasa1992249/ on 15/09/11.

- C6** Section 7 of the Price Act refers to the Central Commission on Prices of Goods and Services (the CCP). Section 12 of the Price Act refers to Provisional Commissions on Price of Goods and Services (PCP)
- (a) How are members of the CCP and/or PCPs selected?
 - (b) What role do the CCP and PCPs have in regulating/influencing the price of goods in Thailand?
 - (c) How are the policies of the CCP and PCPs developed? Are they guided by the Thai Government in developing their policies and implementing price controls/regulations?
- C7** Provide all current listings of goods and services controlled/regulated by the CCP and all PCPs in Thailand, and all such listing for the period 1 July 2006 – 30 June 2011.
- C8** Have any of the following been classified by an Notification under the Price Act as 'controlled goods or services' in the period 1 July 2006 - 30 June 2011 under a notification issued by either the CCP or any PCP?
- (a) steel slab
 - (b) HRC
 - (c) HSS
 - (d) ferrous steel scrap
- C9** Are any of the goods listed in Question C8(a) - (d) above currently classified as a 'controlled good' by either the CCP or a PCP? Provide details.
- C10** Provide fully translated copies of any notifications under the Price Act issued by either the CCP or a regional PCP that relate to any of the goods listed at Question C8(a) - (d) in the period 1 July 2006 – 30 June 2011.
- C11** Have any 'measures' under Section 9(2) been issued/imposed in relation to those goods listed at Question C8(a) - (d) in the period 1 July 2006 – 30 June 2011? Provide details.
- C12** Have any 'rules, procedures and conditions' under Section 9(5) been prescribed in relation to those goods listed at Question C8(a) - (d) in the period 1 July 2006 – 30 June 2011? Provide details.
- C13** Have any sub-committees conducted any investigations or studies as described in Section 15 of the Price Act in relation to any of the goods listed at Question C8(a) - (d) above in the period 1 July 2001 - 30 June 2011? Provide details and copies of any reports produced by any such sub-committee.
- C14** Section 16 of the Price Act refers to the 'Office of the CCP' while Section 17 refers to the regional 'Office of the PCP'.

- (a) Has the Office of the CCP or any regional Office of the PCP, in the period 1 July 2006 - 30 June 2011, undertaken any study/analysis as referred to in Section 16(2) of the Price Act in relation to any of the goods listed in Question C8(a) - (d)?
 - (b) Has the Office of the CCP or any regional Office of the PCP, in the period 1 July 2006 - 30 June 2011, undertaken any monitoring of price movements as referred to in Section 16(3) of the Price Act in relation to any of the goods listed in Question C8(a) - (d)?
 - (c) Provide copies of any reports/recommendations/findings by the Office of the CCP or any regional Office of the PCP in relation to the goods listed in Question C8(a) - (d) during the period 1 July 2006 - 30 June 2011.
- C15** Has any action been taken under Section 25 of the Price Act by either the CCP or a PCP in relation to the goods listed at Question C8(a) - (d) during the period 1 July 2006 - 30 June 2011? Provide details and copies of any notices, circulars, regulations, or any other government-issued documents in relation to any such action.
- C16** Has there been any other action, measures, mentoring, or other activity taken under the Price Act or by the CCP or regional PCPs relation to any of the goods listed in Question C8(a) - (d) in the period 1 July 2006 - 30 June 2011? Provide details and copies of any documents issued in relation to any such action.

DECLARATION

The undersigned certifies that all information supplied herein in response to the questionnaire (including any data supplied in an electronic format) is complete and correct to the best of his/her knowledge and belief.

Date

Signature of authorised
official

Name of authorised official

Title of authorised official