

15 June 2015

Received 16 June 2015

Mr Bora Akdenis Case Manager Anti-Dumping Commission Level 35, 55 Collins Street MELBOURNE VICTORIA 3000

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Dear Mr Akdenis

Investigation No. 254 – Exports of hollow structural sections from Thailand by Saha Thai Steel Pipe Public Company Limited

Timeframe for information supplied

I refer to Statement of Essential Facts ("SEF") No. 254 and the Saha Thai Steel Pipe Public Company Limited ("Saha") Exporter Visit Report. SEF No. 254 indicates the following¹:

"Saha Thai provided new evidence in support of its duty drawback adjustment claim a short time before the due date for the SEF. The Commission has been unable to consider Saha Thai's new information prior to the publication of the SEF."

Austube Mills Pty Ltd ("ATM") notes that the recent verification visit at Saha's premises was the third such visit to the exporter and was conducted over the period 11 – 16 March 2015. Saha was provided with sufficient opportunity during the conduct of the visit to evidence to the Anti-Dumping Commission ("the Commission") investigation team the basis of a duty drawback claim. This does not appear to have occurred. SEF No. 254 was published on 28 May 2015 – some two months following the Commission's visit to Saha – and it is stated that Saha provided the "new" evidence "a short time" prior to the publication of SEF No. 254.

ATM does not consider that it is reasonable for the Commission to accept unverified information post the verification visit at Saha, and certainly not after an extended period of time post the visit. ATM calls upon the Commission to disregard Saha's claim for adjustment as the exporter was fully aware of the investigation process (from experience in three verification visits) and the submission of information that cannot be verified at the last minute should not be readily accepted. Saha may seek a review of its normal value information in the event the anti-dumping measures are imposed by the Parliamentary Secretary.

Duty Drawback

Notwithstanding ATM's position concerning the rejection of the claimed adjustment information above, ATM seeks to comment on the basis for the adjustment sought by Saha for imported hot rolled coil ("HRC").

ATM notes the Commission's comments at P. 27 of SEF No. 254 in respect of Pacific Pipe Public Company Limited ("Pacific") and the findings in Investigation No. 177. The Commission restates its earlier findings that imported HRC is used in exported HSS, and locally sourced HRC is used in domestic sales of HSS. No import duty is paid on the imported HRC. The Commission did not permit a duty drawback adjustment as there are no differences in the export and domestic sales due to the effects of the import duties.

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¹ Statement of Essential Facts No. 254, P.24.



In this investigation, the Commission has again disallowed an adjustment for duty drawback for Pacific.

The Saha Exporter Visit Report indicates that import duties on HRC by Saha "is applied equally between domestic and export HSS". The visit team received "various methodologies" from Saha to allocate the duty at the time of the visit. However, following the visit, the case management team in the Commission raised concerns regarding Saha's allocation methodology and accordingly decided "that Saha Thai's original CTMS calculation with <u>no</u> duty drawback adjustment would lead to a more accurate outcome" (emphasis added).

ATM interprets the Commission's position on a "more accurate outcome" as referring to the proper allocation of the import duty.

ATM rejects the further reconsideration of the duty drawback adjustment for Saha that would take account of unverified information. Saha was afforded ample opportunity during the verification visit to substantiate a claim for adjustment for duty drawback. The additional information submitted by Saha (and referred to in SEF No. 254) cannot be adequately substantiated and verified by the Commission and establishes a menacing precedent for exporters that will seek to actively delay the provision of information to the Commission until late in the investigation process.

ATM calls upon the Commission to reject and not consider the late, unverified information submitted by Saha for the purposes of securing an adjustment to normal values previously determined.

Closing remarks

ATM requests the Commission to reject Saha's information that was submitted two months following the completion of the exporter visit and cannot, at this stage of the inquiry process, be verified. The acceptance of unverified data post a formal verification visit will encourage other exporters to submit information in support of claims for adjustment at the latest opportunity possible in an investigation.

Without detracting from ATM's view about the non-acceptance of unverified data, it is submitted that Saha had sufficient opportunity to substantiate a claim for duty drawback at the time of the verification visit. Following the Saha verification visit, the case management team finalised an "accurate" outcome for Saha's duty drawback claim There can be no reasonable basis for re-visiting the claim on the basis of new information that has been submitted late and cannot be verified.

If you have any questions concerning this letter please do not hesitate to contact ATM's representative Mr John O'Connor on (07) 3342 1921 or Mr Matt Condon on (02) 8424 9880.

Yours sincerely

Brett Willcox

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