



Customs Act 1901
Customs (Preliminary Affirmative Determinations) Direction 2015

Rod in Coils

Exported from the People's Republic of China

Investigation No. 331 into Alleged Subsidisation
Day 60 Status Report

Introduction

The purpose of this Status Report is to set out the reasons why I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have not made a preliminary affirmative determination (PAD) under subsection 269TD(1) of the *Customs Act 1901* (the Act) on 17 April 2016, being 60 days after the initiation of the investigation into the alleged subsidisation of rod in coils (the goods) exported to Australia from the People's Republic of China (China).

This report and the findings contained herein reflect the status of the investigation at day 60. My findings may change as a result of further information, submissions, analysis or verification. Accordingly, I, at any time from day 60 onwards during the investigation, may make a PAD if I am satisfied of the requirements set out in subsection 269TD(1) of the Act.

Background

On 17 February 2016, I initiated an investigation into the alleged subsidisation of rod in coils following an application by OneSteel Manufacturing Pty Ltd (OneSteel) under section 269TB of the Act. Further details can be found in the public notice and *Anti-Dumping Notice 2016/14* at www.adcommission.gov.au.

Under subsection 269TD(1) of the Act, I may make a PAD at any time, not earlier than 60 days after I initiate an investigation for the publication of a countervailing duty notice, if I am satisfied:

- that there appear to be sufficient grounds for the publication of such a notice; or
- that it appears that there will be sufficient grounds for the publication of such a notice subsequent to the importation into Australia of such goods.

In accordance with the *Customs (Preliminary Affirmative Determinations) Direction 2015* (the Direction), 60 days after the initiation of such an investigation I must either make a PAD or provide a Status Report outlining the reasons why I have not made a PAD.

Reasons

In deciding whether to make a PAD on day 60 of this investigation, I have, in accordance with subsection 269TD(2) of the Act, had regard to:

- OneSteel's application;

- submissions received by 28 March 2016 concerning the publication of a countervailing duty notice in response to the initiation of the investigation; and
- any other matters that I considered relevant, including the Government of China's (the GOC's) response to the Government questionnaire.

Based on the above information considered at day 60 of the investigation, I am not making a PAD because I am not satisfied that, under paragraph 269TD(1)(a) of the Act there appears to be sufficient grounds for the publication of a countervailing duty notice.

In particular, at the time of publication of this status report, the Anti-Dumping Commission (the Commission) has not completed its preliminary consideration of whether countervailable subsidies have been received in respect of the goods. The Commission is currently considering information provided by the GOC and major exporters that would assist in determining whether countervailing subsidies have been received in respect of the goods, and in calculating preliminary subsidy margins.

Therefore, at the time of making this report, I am unable to establish that there appear to be sufficient grounds to be satisfied that:

- the goods exported to Australia have been subsidised (at above negligible levels in accordance with section 269TDA); or
- that subsidised goods are causing material injury to the Australian industry.

Other considerations

Relevant matters – section 269TD(2)(b)

In accordance with the Direction, and for the purposes of paragraph 269TD(2)(b) of the Act, I have considered the desirability of providing relief to an injured Australian industry as quickly as possible, where warranted. I have decided it is not warranted to make a PAD at this stage as there are currently insufficient grounds to establish subsidisation, or a causal link between subsidisation and material injury.

In December 2015, I published a PAD pertaining to dumping investigation (INV 301). This PAD allowed securities to be taken on the imported goods. As such, I consider that the injury to the Australian industry is currently being mitigated by the provisional measures that are in place.

Reconsideration of making a PAD – section 269TDAA

After publishing this report, I must reconsider whether or not to make a PAD at least once prior to the publication of the Statement of Essential Facts (SEF) required under section 269TDAA of the Act. The SEF is due to be published on 6 June 2016. Prior to the publication or in the SEF, I will advise whether or not I made a PAD subsequent to this report and the reasons for my decision.

Anti-Dumping Commission Contact

Enquiries about this report may be directed to the case manager on telephone number 02 6276 1462, fax number +61 3 8539 2499 or at operations5@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

18 April 2016