

Canberra
6/2 Brindabella Circuit
Brindabella Business Park
Canberra International Airport
ACT 2609 Australia

Telephone **+61 2 6163 1000**
Facsimile +61 2 6162 0606
Email: info@moulislegal.com
www.moulislegal.com

13 March 2013

Mr S Sharma
Manager, International Trade
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
Canberra
Australian Capital Territory 2601



commercial+international

By email

Dear Sir

Investigation concerning certain coated steel from China Supplementary Government Questionnaire

We write on behalf of the Ministry of Commerce of the Government of the People's Republic of China ("the GOC") in relation to the "Supplementary Government Questionnaire" ("SGQ") provided to us under cover of your email received by us at 6:19pm on 8 March 2013.

Your email indicates that questions regarding the GSQ should be directed to you.

The GOC makes the following comments and seeks the following clarifications. They are directed towards the facilitation of your further inquiries in a reasonable manner.

- 1 Could you please clarify what is meant by the words "leading questions" in the first sentence of the second paragraph on page 6.
- 2 In respect of question 1(i), 8, 9 and 10(e)(v), we note that there are 1,035 entities referred to in Attachments 33, 34, 35, 36, 37 and 39 of the GQ. The GOC invites Customs to select a sample of the enterprises concerned, in order to make the task somewhat manageable in the two week period which has been allowed. The GOC suggests that it would be possible for it to seek these details for say 15 companies in each of the Customs-defined product categories concerned.
- 3 In question 2(i)(a), can you clarify the meaning intended by the use of the word "*supervises*".
- 4 In relation to question 2(v), could you please clarify how the proportion of government ownership in an industry should be calculated. The GOC does not have ownership "in an industry". Enterprises themselves that might be said to have a particular market share of sales in an industry, but even they could not be said to have a measurable "ownership" of the industry. Could you please clarify the intention of the question, the meaning of "ownership" and the measure that Customs suggests could be used. Although the GOC does not agree that the question is a necessary one, a statistic that the GOC possibly could advise (but one which still would not

connote "ownership") would be the proportion of State-majority owned producers in the total number of producers.

Lastly, the GOC respectfully requests an extension of time to Monday 1 April in order to compile its response to the SGQ, noting that even with this extension of time it is important for the GOC to receive your reply to the clarifications sought by this letter as soon as possible.

Yours sincerely



Daniel Moulis
Principal

Customs and Border Protection's Response

1. The word “leading” on the first sentence of the second paragraph on page 6 of the SGQ should read “follow up”. The question is intended to seek additional information for some of the responses to the initial Government Questionnaire (GQ), submitted on 8 February 2013.
2. With reference to SGQ 1(i),8,9 and 10 (e) (v) – Select the top 15 entities by production volume referred to in Attachments 33,34,35,36,37 and 39 .
3. With reference to SGQ 2(i)(a) – the term supervises is intended to mean the Government Securities Regularity Authority (for example a government agency like ASIC in Australia) that oversees and regulates the operations of the '*China Iron Ore Spot Trading Platform*'.
4. With reference to SGQ 2(v)- provide the proportion of SIEs to the total entities operating in each of the individual segment of the iron and steel industry (i.e. galvanised steel, aluminium zinc coated steel, HRC, Coke, Coking Coal and Scrap metal). The question is intended to give an overview of the GOC’s shareholding (direct or indirect) in each of those segments. It would be useful to provide the proportion in relation to both the number of entities in each segment and also in relation to the production output. For example, ‘the proportion of entities categorised as SIEs in the galvanised steel sector is 30%, which represents 45% of production’.
5. The extension of time for the due date of the GOC’s response to Monday 1 April 2013 is granted; however as per our usual practice the ‘for official use only’ and ‘public file’ versions of the response to the SGQ must both be provided by COB 1 April 2013.

14 March 2013