

18th December 2013

BlueScope Steel Limited

Sirius Building
Five Islands Road, Port Kembla NSW 2505
PO Box 1854, Wollongong NSW 2500
P+61 2 4275 7843 | M+61 419 427 730
E Alan.Gibbs@bluescope.com

Ms Candy Caballero
Director, Operations 3
Anti-Dumping Commission
C/o Customs House
1010 La Trobe Street
MELBOURNE DOCKLANDS VICTORIA 3008

Dear Ms Caballero

## For Public File

Re: Resumption of Investigation 193 – zinc coated (galvanized) steel and aluminium zinc coated steel exported from the People's Republic of China

I refer to the submission made on behalf of the Angang Steel Company Limited ("ANSTEEL") and recently placed on the Public File.

Following the recent publication of Anti-Dumping Notice No. 2013/104 extending the date for the publication of a Statement of Essential Facts for the resumed investigation, BlueScope Steel Limited ("BlueScope") considers it appropriate to comment on the ANSTEEL submission in response to the Anti-Dumping Commission's request for supplementary information to aid a clearer understanding of certain subsidies relevant to the investigation including:

- the provision of coking coal to ANSTEEL by the Government of China at less than adequate remuneration; and
- the calculation of benefits received by ANSTEEL under three government programs.

BlueScope notes ANSTEEL's comments in response to the Commission's question on the different grades/qualities of coking coal available to Chinese steel producers. BlueScope disagrees with ANSTEEL's assertion that "it is not the purpose of the Anti-Dumping Commission (the Commission) to simply understand such knowledge" concerning the different grades of coking coal. On the contrary, it is relevant to understand the mix/blend of coking coal consumed by Chinese steel producers to understand an appropriate and relevant benchmark against which to assess accurately the extent to which Chinese coking coal was sold at less than adequate remuneration during the investigation period.

BlueScope rejects ANSTEEL's suggestion that Chinese lower quality coking coal for export should nevertheless remain the appropriate benchmark. To accept this argument endorses a less than actual benchmark for determining the full margin of subsidisation. The Commission is requested to properly assess the relevant market selling prices for the various grades of coking coal consumed by Chinese steel producers (i.e. ANSTEEL) to properly reflect the true margin of the benefit under this program.

The Commission has requested information from ANSTEEL as to the use of the various grades of coking coal used by the manufacturer, the pricing differences between those grades, and the availability of the grades. In its Public File response, ANSTEEL has not addressed the Commission's questions. Whereas it may be possible to use the benchmarked Platts prices, it is important for the Commission to establish the amounts of the different coking coal grades consumed by ANSTEEL during the investigation period.

BlueScope submits that ANSTEEL has not adequately responded to the supplementary questions presented by the Commission. In the absence of ANSTEEL's full cooperation, the Commission can determine the appropriate premium hard coking coal prices that it deems appropriate.

Should the Commission require guidance as to the relevant benchmark price for premium hard coking coal to use in the coking coal at less than adequate remuneration program, BlueScope can assist with information concerning consumption rates, etc. as required.

Please do not hesitate to contact me of you have any questions on (02) 4275 3859 (direct).

Yours sincerely

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Alan Gibbs

Development Manager – International Trade Affairs