Application for revocation review – Review 615 Chengxi Shipyard Co., Ltd

5 April 2023

A Background

By way of an application dated August 2013, domestic industry applicants A.C.N. 009 483 694 Pty. Ltd. Trading as Haywards Steel Fabrication & Construction; and Crisp Bros. Structural Steel & Metal Work ("Haywards"), and Keppel Prince Engineering Pty Ltd ("KPE") applied for a dumping investigation into certain utility scale wind towers ("wind towers" or "GUC") exported from the People's Republic of China and the Republic of Korea.[1]

In response to the application, the Anti-Dumping Commission initiated an anti-dumping investigation ("Investigation 221") into wind towers with respect to those countries on 28 August 2013.[2] The period of investigation was 1 January 2012 to 30 June 2013. Following the investigation, the Commission established that Shanghai Taisheng Wind Power Equipment Co. Ltd ("TSP") from China and Win&P., Ltd ("Win&P") were the only exporters for the goods under investigation exported to Australia during the investigation period.

At the conclusion of Investigation 221, based on the recommendations contained in *Report Number 221 – Dumping of Wind Towers exported from the People's Republic of China and the Republic of Korea*

1 EPR 221 Doc 001.

2 EPR 221 Doc 003.

("Report 221"),[3] the Parliamentary Secretary to the Minister for Industry published a dumping duty notice with respect to wind towers exported from China and Korea ("the subject measure").[4]

In June 2017, in response to application from KPE and Ottoway Fabrication Pty Ltd, the Commission initiated an anti-dumping investigation concerning wind towers exported from Vietnam. On 6 February 2018, the Commissioner terminated the investigation, on the basis that the injury that had been, or may be, caused by exports from Vietnam by CS Wind Corporation (being the only exporter during the investigation period), if any, was negligible.

Also in 2018, Keppel applied for a continuation inquiry under section 269ZHC of the *Customs Act 1901* ("the Act"), requesting a continuation of the subject measure. The Commission accepted the application and initiated a continuation inquiry on 16 July 2018, setting an inquiry period of 1 January 2017 to 30 June 2018 ("Inquiry 487"). At the conclusion of the inquiry, the Commission recommended, and the Minister accepted, that the subject measure should be allowed to expire with respect to exports from Korea. Subsequently, following a review conducted by the Anti-Dumping Review Panel ("ADRP"), the Minister decided that the subject measure should be allowed to expire with respect to the exports by TSP from China, but continue to be in force for another five years with respect to other exports from China.[5]

On 14 January 2022, Chengxi applied for an accelerated review under section 269ZE of the Act, as it was a new exporter who had not exported goods to Australia during the original investigation period ("Accelerated Review 597").[6] At the conclusion of the review, the Commission found a dumping margin of negative 5.1 per cent with respect to the exports from Chengxi, and revised the dumping duty applicable to Chengxi's exports to 0% *ad valorem*, effective from 14 January 2022.

B Grounds for revocation review

6. Provide evidence that you consider may satisfy the Commission that there are reasonable grounds for determining that the anti-dumping measures are no longer warranted.

Chengxi notes the following requirements under Question 6 of the Application form:

> *If you consider anti-dumping measures are no longer warranted because of:*
>
> - *No dumping or no subsidisation: provide evidence that there is no dumping, or no subsidy, and why dumping or subsidisation is unlikely to recur if measures were revoked;*
> - *No injury: provide evidence that there is no current injury, and there is unlikely to be a recurrence of injury, if the measures were to be revoked.*

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3 EPR 221 Doc 040.

4 Attachment 2 – Original notice imposing measure, at https://www.legislation.gov.au/Details/C2014G00627.

5 Attachment 3 – Minister's decision post-ADRP review, at https://www.industry.gov.au/sites/default/files/adrp/2019_100_wind_towers_-_attachment_f_public_notice.pdf.

6 EPR 597 Doc 001.

Chengxi submits that the evidence included in its application support its view that there are reasonable grounds for the Commission to determine that the subject measure is no longer warranted with respect to exports from Chengxi, in terms of both the lack and unlikelihood of dumping and the unlikelihood of injury caused by any such dumping. That is, revoking the measure with respect to exports from Chengxi would not lead or be likely to lead to "*a continuation of, or a recurrence of, the dumping …and the material injury that the measures are intended to prevent*".[7]

1 Chengxi is a responsible exporter and has not engaged in dumping of the GUC

As noted above, Chengxi did not export wind towers to Australia during the original investigation period. **As such, Chengxi did not engage in any "dumping" of the GUC that led to the imposition of the subject measure**.

Indeed, in Investigation 221, the Commission found that the GUC was only sourced from TSP and Win&P, from China and Korea respectively. That is, the subject measure had been put in place directly as a result of and in response to the exports from TSP and Win&P, and the material injury caused to the Australian industry by those exports, and nothing else. The measure was not intended to prevent injury caused by or exports of Chengxi at dumped price – which did not exist back then and still does not exist today.

After Continuation Inquiry 487, and the Minister's decision to secure continuation of the anti-dumping measure with respect to exports from China, Chengxi sought to establish its own duty rate as a new exporter via Accelerated Review 597. The review examined an extensive 18-month review period (being 1 July 2020 to 31 December 2021) and determined that the goods exported to Australia by Chengxi were not dumped. **As such, Chengxi did not engage in any "dumping" of the GUC during the review period**.

Chengxi can further confirm that, **[CONFIDENTIAL TEXT DELETED – commercial market information]**. **That is, Chengxi has not engaged in any dumping of the GUC, despite the 0% duty rate applicable to any wind towers exported by Chengxi to Australia, effective from 14 January 2022.** This situation can be verified by the Commission through the Australian Border Force import database. Chengxi's record of no-dumping even with the 0% duty rate also indicates that dumping is unlikely to recur even if the measure is revoked in respect of Chengxi.

Based on the above, Chengxi respectfully submits that it has a proven record of no-dumping and is unlikely to dump with respect to the Australian market. Further, this evidence also shows that there is currently no injury caused by dumping attributable to Chengxi.

2 The subject measure is not intended for exports from Chengxi

As noted above, the subject measure was imposed in 2014 in response to dumping and injury caused by exports from TSP and Win&P, being the only exporters of the GUC from China and Korea during the investigation period. That is, the dumping and injury that the subject measure was intended to prevent, relate solely to the exports from TSP and Win&P.

Following the expiry of the measure with respect to exports from TSP and Win&P from 2019, the subject measure no longer has the effect of preventing injury, if any, in relation to those only two sources of exports that were foundational to the imposition of the measure in the first place. Indeed, Chengxi was

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[7] Section 269ZDA(1A)(b) of the Act.

not even mentioned by the application for continuation inquiry lodged by the Australian industry.[8] This shows that exports from Chengxi were not the intended target or the alleged cause of injury for whom the subject measure was originally imposed or the focus of the request for continuation of the same. This is consistent with Chengxi's own knowledge and experience – that it has never been in direct competition with the Australian industry with respect to projects it supplied or bid for in relation to the Australian market and has not dumped or caused injury to the Australian industry.

Further, in Continuation Inquiry 487, the Commission determined a dumping margin for the exports from TSP at 6.4% and a dumping margin of 10.9% for "all other exporters" from China. The dumping margin for "all other exporters" was determined by "*having regard to information verified with TSP Shanghai, but exclusive of any favourable adjustments*".[9] Following the ADRP review, the dumping margin for TSP was recalculated, resulting in a "*significantly negative dumping margin*".[10] This indicates that, if the dumping margin for "all other exporters" was also recalculated on the same basis, the result was also likely to be a negative dumping margin.

3 The Australian industry is unable to meet market demand for reasons unrelated to Chengxi or the subject measure

Chengxi notes that KPE has been representing the Australian industry in both Continuation 487 and the present Review 615. Therefore, Chengxi provides its observations regarding the Australian industry by focusing on available information with respect to KPE.

Chengxi's research of KPE's performance indicates that KPE has not been able to meet the growing demand of renewable energy development in Australia, due to its own lack of commercial capacity and operational limits, despite the subject measure.

KPE's financial statement for 2020 confirms that it continues to rely heavily on Victorian government projects and was [CONFIDENTIAL TEXT DELETED – performance in market]:

> [CONFIDENTIAL TEXT DELETED – extract from financial report].[11]

Despite this, and [CONFIDENTIAL TEXT DELETED – performance in market], it chose to undertake [CONFIDENTIAL TEXT DELETED – operational activities]:

> [CONFIDENTIAL TEXT DELETED – extract from financial report].[12]

In the same year, KPE was [CONFIDENTIAL TEXT DELETED – market participation] – whilst having a [CONFIDENTIAL TEXT DELETED – operational developments].[13] Chengxi assumes that KPE's [CONFIDENTIAL TEXT DELETED – operational developments], has also hampered KPE's prospect of securing orders [CONFIDENTIAL TEXT DELETED – market participant]. In any case, Chengxi confirms that it has not supplied any wind towers to [CONFIDENTIAL TEXT DELETED – market

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8 See EPR 487 Doc 001, p. 5. The Chinese exporters specified in the application were TSP and Titan Wind Energy (Suzhou) Co Ltd.

9 EPR 487 Doc 019, p. 39.

10 Attachment 4 – ADRP Report No. 100, para. 134, at https://www.industry.gov.au/sites/default/files/adrp/2019_100_report_combined_-_public.pdf.

11 Confidential Attachment 5 – KPE financial report 2020, pp. 2–3.

12 Confidential Attachment 5 – KPE financial report 2020, p. 3.

13 Confidential Attachment 5 – KPE financial report 2020, p. 3.

participants] in the Australian market, and thus was not in competition with KPE. That is, the Australian industry's inability to secure these projects is completely unrelated to Chengxi.

KPE's financial statement for 2021 again [CONFIDENTIAL TEXT DELETED – market performance]:

> [CONFIDENTIAL TEXT DELETED – extract from financial report].[14]

On the other hand, KPE continues to [CONFIDENTIAL TEXT DELETED – internal operational focus]:

> [CONFIDENTIAL TEXT DELETED – extracts from financial report].[15]

Again, Chengxi can confirm that it has not supplied any wind towers to [CONFIDENTIAL TEXT DELETED – market participants] in the Australian market, and is thus not in competition with KPE.

In 2022, KPE continued to rely on its incorrect assumption that VRET stage 2 would be able to [CONFIDENTIAL TEXT DELETED – financial and operational performance], but also noted that the [CONFIDENTIAL TEXT DELETED – financial and operational performance]was somewhat [CONFIDENTIAL TEXT DELETED – financial and operational performance]:

> [CONFIDENTIAL TEXT DELETED – extract from financial report].[16]

Overall, these statements show that the primary commercial opportunities and impact for KPE's wind tower business are heavily dictated by the VRET projects initiated by the Victorian Government. There is no indication that the subject measure – whether revoked with respect to exports from Chengxi or continued at the current 0% duty rate – would have any material causal link to KPE's performance.

Further, Chengxi notes that KPE's tower manufacturing facility was only capable of supplying 110 towers per year in 2017, which may have expanded to 175 wind towers per year since then.[17] However this is still sorely inadequate for meeting the demands of the Australian market. Projects such as the MacIntyre Wind Precinct, which contains three farms, will have the combined generation of 2000MW and require 360 turbines alone.[18]

As mentioned above, KPE's wind tower business also appears to have been hindered by [CONFIDENTIAL TEXT DELETED – operational developments and market participants]. As mentioned, [CONFIDENTIAL TEXT DELETED – operational developments and market participants] in 2020.[19] In response, KPE [CONFIDENTIAL TEXT DELETED – operational developments and market participants]. This [CONFIDENTIAL TEXT DELETED – operational developments and market participants].[20] Chengxi assumes that the [CONFIDENTIAL TEXT DELETED – market performance and participants]. Clearly, any negative effect or "injury" that such [CONFIDENTIAL TEXT DELETED –

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14 Confidential Attachment 6 – KPE financial report 2021, p. 2.

15 Confidential Attachment 6 – KPE financial report 2021, p. 3.

16 Confidential Attachment 7 – KPE financial report 2022, pp. 2–3.

17 Attachment 8 – Keppel Prince Engineering expands wind tower manufacturing capacity, at https://www.australianmanufacturing.com.au/keppel-prince-engineering-expands-wind-tower-manufacturing-capacity/.

18 Attachment 9 – Queensland wind farm precinct to dwarf all others, at https://statements.qld.gov.au/statements/96683.

19 Confidential Attachment 5 – KPE financial report 2020, p. 3.

20 Confidential Attachment 7 – KPE financial report 2022, p. 27.

operational development] has caused to KPE's performance as a local wind tower supplier has no connection to either the subject measure or Chengxi.

On the other hand, with the Australian Government's confirmed commitment to emission reduction,[21] renewable energy and the development of offshore wind farms, Australian industry is in a unique position and stands to benefit from the further support and improved policy clarity for the renewable energy industry. We refer to the following.

a Federal funding and legislative support for wind renewables

Both Federal and State governments have been making legislative changes to curb emissions and promote the renewable energy sector. At the same time, ongoing and upcoming closures of non-renewable energy plants such as Australia's largest coal plant have driven the State and Federal Government towards pushing renewable energy projects with more urgency.[22]

Most recently on 30 March 2023, the Australian Government passed the *Safeguard Mechanism (Crediting) Amendment Bill 2023,* to gradually and continually reduce emissions limits that must be met by heavy emitters, with the goal of achieving net zero by 2050.[23]

On 25 November 2021, the Australian Federal Government also passed the *Offshore Electricity Infrastructure Bill 2021* (now the *Offshore Electricity Infrastructure Act 2021* (Cth), which commenced on 2 June 2022) to facilitate and regulate the development of electricity infrastructure in Commonwealth waters. [24] This provides important regulatory clarity and a clear signal to the emerging and highly anticipated offshore wind industry. As of August 2022, six regions have already been proposed as offshore wind development areas around Australia, including Hunter and Illawarra regions in New South Wales.[25] The Registration of Interest (ROI) process conducted for these regions throughout 2022 identified fifteen offshore wind projects totaling 37.4 GW of proposed energy generation.[26]

To further support renewable energy generation and development, the Federal Government has committed $15 billion to the establish the National Reconstruction Fund, which will provide $3 billion in finance to renewables and low emissions technologies alone.[27]

Chengxi notes that the offshore wind projects in particular would more likely to be awarded to domestic suppliers in Australia. This is due to the unique nature of offshore projects, which involves wind towers with much larger sizes and significantly more complex and challenging transportation requirements.

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21 Attachment 10 – Australia legislates emissions reduction targets, at https://www.pm.gov.au/media/australia-legislates-emissions-reduction-targets.

22 See, for example, Attachment 11 – Origin to close Australia's biggest coal plant early, at https://www.afr.com/companies/energy/origin-to-close-eraring-early-profit-rises-20220216-p59wx5.

23 See Attachment 12 – Safeguard Mechanism – DCCEEW, at https://www.dcceew.gov.au/climate-change/emissions-reporting/national-greenhouse-energy-reporting-scheme/safeguard-mechanism#:~:text=About%20the%20Safeguard%20Mechanism,-Our%20department%20is&text=The%20Safeguard%20Mechanism%20requires%20Australia's,emissions%20limit%20(a%20baseline).

24 Attachment 13 – Offshore renewable energy, at https://www.energyco.nsw.gov.au/industry/offshore-renewable-energy; See also Attachment 14 – Offshore Electricity Infrastructure Bill 2021 at https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bId=r6774.

25 Attachment 13 – Offshore renewable energy.

26 Attachment 13 – Offshore renewable energy.

27 Attachment 15 – National Reconstruction Fund, at https://www.industry.gov.au/news/national-reconstruction-fund-diversifying-and-transforming-australias-industry-and-economy.

This means that suppliers with facilities closer to the project sites, or requiring shorter freight distances would be preferred, both from practical and cost perspectives. In Chengxi's own experience, [CONFIDENTIAL TEXT DELETED – offshore wind experiences], with transportation costs and technical difficulties being the main factors. As such, Chengxi [CONFIDENTIAL TEXT DELETED – offshore wind prospects] in Australia in the near future.

b State targets and push for renewables

Australian State Governments have also been pushing for more ambitious renewable energy targets, each backed by their own specific renewable energy plans and the establishment of dedicated renewable energy zones. The following are some prominent examples of the significant state-funding and facilitation for renewable energy projects which will continue to support Australian industry.

Queensland, where the MacIntyre Wind Precinct is located, has set a renewable energy target at 70% by 2032 under the Queensland Energy and Jobs Plan.[28] This includes a target for reaching 25 GW of wind and solar power by 2035.[29] The Queensland Government has dedicated $4.5 billion in funding through the Queensland Renewable Energy and Hydrogen Jobs Fund to Queensland's publicly owned energy corporations to increase ownership of commercial renewable energy.[30] The State has also committed $145 million to establish 3 Queensland Renewable Energy Zones (QREZ) in northern, central and southern Queensland to "*help manage the energy transformation, deliver jobs, diversify the economy and lower emissions*".[31] The renewable energy zones have received registrations of interest for projects totalling close to 70 billion in investment if developed.[32]

The New South Wales Government has developed the NSW Electricity Infrastructure Roadmap to support the private sector to deliver at least 12 GW of renewable energy electricity generation and to incentivise private investment by providing certainty of ROI through Long-Term Energy Service Agreements.[33] Five renewable energy zones have been established, two of which have already been identified for strong potential in offshore wind.[34] Bi-annual tenders inviting applications for renewable energy projects in these zones have been planned for the next decade.[35] The first tender took place in

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28 Attachment 16 – About the Queensland Energy and Jobs Plan, at https://www.epw.qld.gov.au/energyandjobsplan/about.

29 Attachment 17 – Queensland Energy and Jobs Plan overview, at https://www.epw.qld.gov.au/__data/assets/pdf_file/0031/32989/queensland-energy-and-jobs-plan-overview.pdf.

30 Attachment 18 – Energy – Queensland Climate Action, at https://www.des.qld.gov.au/climateaction/sector-action/energy#:~:text=Boosted%20funding%20of%20%244.5%20billion,partnership%20with%20the%20private%20sector; Attachment 19 – Queensland Renewable Energy and Hydrogen Jobs Fund, at https://www.treasury.qld.gov.au/programs-and-policies/queensland-renewable-energy-and-hydrogen-jobs-fund/.

31 Attachment 20 – Queensland renewable energy zones, at https://yoursayhpw.engagementhq.com/understand-qrez.

32 Attachment 20 – Queensland renewable energy zones.

33 Attachment 21 – Electricity Infrastructure Roadmap, at https://www.energy.nsw.gov.au/nsw-plans-and-progress/major-state-projects/electricity-infrastructure-roadmap; Attachment 22 – Long-Term Energy Service Agreements, at https://www.energy.nsw.gov.au/nsw-plans-and-progress/major-state-projects/electricity-infrastructure-roadmap/regulatory-framework.

34 Attachment 23 – NSW Renewable Energy Zones geographical areas, at https://www.energyco.nsw.gov.au/sites/default/files/2023-02/nsw-rez-map_0.pdf; Attachment 13 – Offshore renewable energy.

35 Attachment 24 – Nation's biggest renewable energy auction starts today, at https://www.nsw.gov.au/media-releases/electricity-infrastructure-roadmap-tenders-open.

October 2022, inviting applications for developments in the Central-West Orana Renewable Energy Zone.[36]

Chengxi notes that KPE is also aiming to [CONFIDENTIAL TEXT DELETED – forward-looking operational developments]:

> [CONFIDENTIAL TEXT DELETED – extract from financial report].[37]

The Victorian Government is aiming for a 50% renewable energy target by 2030 under its *Renewable Energy (Jobs and Investment) Act 2017*.[38] It has already undertaken two "Victorian Renewable Energy Target Auctions" in which developers can bid for state funding and approval.[39] State-backed renewable projects are mandated to use at least 60 per cent local content or more, with requirements set project-by-project.[40] Victoria is also actively engaging in offshore wind projects, and has committed $40 million in funding to three offshore wind farms in Round 1 of the Energy Innovation Fund. The proposed zone for one of the offshore wind farms has already been officially declared by the Federal Minister for Climate and Energy as a suitable area for offshore renewable energy infrastructure under the newly enacted *Offshore Electricity Infrastructure Act 2021* mentioned above, and granted Major Project Status, pointing to quickly moving development.[41] As of October 2022, Victoria also has over 2300MW of approved wind projects on the ground which are yet to start construction, and a further 998MW of new wind projects under application.[42]

These are just some of the ongoing renewable energy and wind developments in Australia under the extensive long-term plans and financial commitments made by the State and Federal governments. It is evident that the wind energy market and demand for wind towers will only continue to grow in Australia for the foreseeable future. Domestic suppliers in Australia would not be able to meet this demand by themselves, but will stand to benefit from projects that favour domestic suppliers due to technical and logistical reasons, government supported projects and the local content requirements. These prospects are unaffected by the subject measure and unaffected by revoking the measure, currently at 0% duty rate, with respect to Chengxi.

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36 Attachment 24 – Nation's biggest renewable energy auction starts today.

37 Confidential Attachment 6 – KPE financial report 2021, pp. 3–4.

38 Attachment 25 – Victorian renewable energy and storage targets, at https://www.energy.vic.gov.au/renewable-energy/victorian-renewable-energy-and-storage-targets.

39 See, for example, Attachment 26 – Victorian Renewable Energy Target Auction (VRET) at https://www.energy.vic.gov.au/renewable-energy/victorian-renewable-energy-and-storage-targets/victorian-renewable-energy-target-auction-vret1 and Attachment 27 - Victorian Renewable Energy Target Auction (VRET 2) at https://www.energy.vic.gov.au/renewable-energy/victorian-renewable-energy-and-storage-targets/victorian-renewable-energy-target-auction-vret2.

40 Attachment 28 – Local Jobs First – Strategic Projects listing at https://localjobsfirst.vic.gov.au/strategic-projects/list?result_74356_result_page=12&queries_project_name_query=VRET&queries_project_type_query_posted=1&queries_project_type_query=&queries_project_region_query_posted=1&queries_project_region_query=&queries_project_delivery_agency_query_posted=1&queries_project_delivery_agency_query=&search_page_74356_submit_button=Apply+filters#!; Attachment 29 – Second Victorian Renewable Energy Target Auction (VRET 2) ICN Gateway, at https://gateway.icn.org.au/project/4784/second-victorian-renewable-energy-target-auction-vret2.

41 Attachment 30 – Star of the South gets head start as Australia's offshore wind race official launched, at https://reneweconomy.com.au/star-of-the-south-gets-head-start-as-australias-offshore-wind-race-officially-launched/.

42 Attachment 31 – Victoria's wind energy projects, at https://www.planning.vic.gov.au/permits-and-applications/specific-permit-topics/wind-energy-facilities/wind-energy-projects-planning?_ga=2.54833704.2014479459.1680582499-912094924.1680154245.

4 Chengxi has not been and is not the main competitor for wind tower market in Australia

Lastly, Chengxi reiterates that it has not been the cause for material injury to the Australian industry in the past that led to the imposition of the measure, and is unlikely to be the cause of material injury for the Australian industry in the future. This is due to Chengxi's business nature and the presence of other dominant suppliers in the market.

As the Commission is aware, Chengxi Shipyard is mainly a shipbuilding and ship repair company. Wind tower production is a part of its "steel structure" business and [CONFIDENTIAL TEXT DELETED – business structure]. As demonstrated in Chengxi's financial information in Accelerated Review 597, during 2021, the largest revenue contributor is [CONFIDENTIAL TEXT DELETED – financial information].[43] Chengxi's total global wind tower sales accounted for [CONFIDENTIAL TEXT DELETED – financial information] in 2021, with Australian sales of wind towers accounting for [CONFIDENTIAL TEXT DELETED – financial information]. For the 18-month review period, Australian sales of wind towers accounted for [CONFIDENTIAL TEXT DELETED – financial information].

Chengxi's more complex business structure (with multiple different business areas rather than being a dedicated wind tower producer) means that [CONFIDENTIAL TEXT DELETED – commercial information regarding comparative advantage and disadvantage]. On the other hand, Chengxi's a multi-faceted business, with the majority of its revenue derived from shipbuilding and ship-repairing businesses. Because of this, Chengxi's business model is to focus on commercially more rewarding and sustainable wind tower projects and be more responsible and commercially viable in the longer term. As such, Chengxi is not required to and is not incentivised to try to secure every wind tower project possible, with aggressive pricing and at any cost. This is also supported by the fact that Chengxi [CONFIDENTIAL TEXT DELETED – sales information]. For each project where Chengxi participated in the tender/request for price quotation process since 2022, [CONFIDENTIAL TEXT DELETED – commercial market information]. The point is, both the history and the contemporary evidence indicate that revocation of the measure with respect to Chengxi is unlikely to result in Chengxi either starting to engage in dumping of wind towers in the Australian market, or causing material injury to the Australian industry.

C Conclusion and request

Chengxi's application provides strong evidence that there are reasonable grounds for determining that the anti-dumping measures are no longer warranted with respect to Chengxi, and that the review should be extended to consider revocation of the measure with respect to Chengxi's exports.

Once the review is extended, the Commission is required to consider whether to make a revocation recommendation under Section 269ZDA(1A). For that purpose, the Commission will consider whether "*as a result of the review that revoking the measures would lead, or be likely to lead, to a continuation of, or a recurrence of, the dumping or subsidisation and the material injury that the measures are intended to prevent*". Evidence presented by Chengxi and information available to the Commission point against such likelihood and probability, and at the very least does not support a proposition that revoking the measure would or would likely lead to recurrence or continuation of dumping by Chengxi and the material injury caused by dumped exports that the measure intended to prevent.

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[43] Confidential Attachment 32 – Accelerated Review 597 – Chengxi's Exporter Questionnaire Response, B-4 Upwards sales spreadsheet.

The current anti-dumping measure is no longer having the effect or serving the purpose that was intended when it was imposed in 2014 in response to exports from TSP and Win&P. Both TSP and Win&P are exempt or excluded from the subject measure.

Chengxi has a proven record of not engaging in dumping with respect to the Australian market. This has been the case in the original investigation, when Chengxi did not have any exports to Australia; the review period for Accelerated Review 597 when Chengxi's exports were not at "dumping" price; and continues to be the case since Chengxi obtained its 0% anti-dumping duty rate at the start of 2022.

Available information regarding the Australian industry's operation indicates that its commercial performances with respect to its wind tower business is largely impacted by government projects, its relationship with key customers, and is unaffected by and unrelated to Chengxi, regardless of the existence of the subject measure.

On the basis of this application, we respectfully request the Commission to extend the current review to include revocation, to conduct that review comprehensively and diligently, and to ultimately recommend to the Minister that the anti-dumping measure be revoked as against Chengxi.

Lodged for and on behalf of Chengxi Shipyard Co., Ltd

Charles Zhan
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