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30 July 2025

**Director, Investigations 2**
**Anti-Dumping Commission**
**GPO Box 2013**
**Canberra**
**Australian Capital Territory 2600**

**By email**

Dear Director

# Celsa Barcelona
# Continuation Inquiry 660 – steel reinforcing bar from Spain and Korea

This submission is made on behalf of Compañía Española de Laminación, S.L. (hereinafter "Celsa Barcelona").

Celsa Barcelona has been fully cooperative with the Commission in this inquiry, as it has been with all the other investigations and reviews as conducted by the Commission concerning the exports of steel reinforcing bar products from Spain.

At the outset, Celsa Barcelona wishes to emphasise its consistent position that the present inquiry must be conducted within the scope of the subject measure. Celsa Barcelona will not comment on the independent commercial operations of any other entities within the Celsa Group that is not the subject of this inquiry. Likewise, Celsa Barcelona respectfully requests that the Commission disregard any allegations made by Infrabuild concerning other Celsa entities which are not the subject of this inquiry.

In this submission, Celsa Barcelona provides its responses to claims made by the Applicant of this inquiry, and draws the Commission's attention to some significant questions and uncertainties with respect to the Applicant itself.

After having had the measure in place for almost 10 years, the Applicant asks the Commission to find that the measure should not be allowed to expire with respect to Celsa Barcelona. Section 269ZHF(2) of the *Customs Act 1901* (the Act) explicitly requires the Commissioner not to make such a finding, unless certain legal thresholds have been met. Essentially, those thresholds require the Commissioner to be



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satisfied that, based on positive evidence, it is more probable than not that the expiry of the measure would lead to the recurrence of dumping and material injury that the measure is intended to prevent. No such evidence has been put forward by the Applicant that would satisfy such statutory probability test.

We invite the Commission to view the Applicant's claims against historical and contemporary contexts in order to properly evaluate the Applicant's claims. Those contexts are:

- The Applicant's own patterns of behaviour and demands for anti-dumping actions over the last 10 years;
- Historical context pertaining to Celsa Barcelona's engagement with the Australian market in recent times and changes to its business operation;
- Significant and unanswered questions regarding the management and operational practice adopted by the broader corporate group which the Applicant is a part of, which has increasingly come to light in recent times, assisted by both legal proceedings involving GFG Alliance and its former financier, and intervention of the South Australian Government in relation to the operations of the Applicant's affiliated companies in Whyalla.

## A No compelling reasons to extend the measure against Celsa Barcelona

The subject measure was first imposed on Celsa Barcelona when the original entity representing the Australian industry, OneSteel Manufacturing Pty Ltd ("OneSteel"), was one of the largest customers of the goods exported from Spain.

OneSteel, which was later acquired by the GFG Alliance and rebranded as Infrabuild, continued to account for a major portion of imports from Spain and elsewhere. In other words, the Applicant was directly responsible for the supply of the goods from Spain in the past.

The current measure was imposed against Celsa Barcelona for its exports of rebar in coil ("DBIC"). This is despite the higher price of the coil product supplied by Celsa Barcelona, in comparison to rebar straight products ("DBIL"). Celsa Barcelona understands that DBIC continues to enjoy higher unit prices in the contemporary Australian market for rebar.

Infrabuild claims that the measure should be extended after 10 years, for another 5 years, because other entities within the Celsa Group have continued to supply the Australian market. This claim has no logical, factual or legal basis. The defects in the Applicant's claim are most pronounced when examined against Infrabuild's own trade remedy actions. Infrabuild is Australia's most experienced and frequent filer of anti-dumping requests. The subject measure was first imposed in 2015, following an investigation of *both* DBIC and DBIL products exported from Spain, Korea, Malaysia, Singapore, Taiwan, Thailand, Türkiye. Since then, Infrabuild has continued to seek imposition of anti-dumping duties against the same products, including the following:

- Measures concerning imports of DBIC *and* DBIL from China, resulting imposition of AD/CV duties in 2016;
- Anti-circumvention actions against DBIC *and* DBIL imports from Korea in 2017;

- Measures concerning imports of DBIC *and* DBIL from Greece, Indonesia, Spain (Nervacero), Taiwan (Power Steel), Thailand, resulting in imposition of AD duties in 2018;
- Measures concerning imports of DBIC *and* DBIL from Türkiye in 2019;
- Continuation of the measures against DBIC *and* DBIL from China, resulting in continuation of the measures in 2021;
- Continuation of the measures against DBIC *and* DBIL from Korea, Singapore, Spain, and Taiwan, resulting in continuation of the measures with respect to Korea and Spain in 2021;
- Continuation of the measures against DBIC *and* DBIL from Greece, Indonesia, Spain (Nervacero), Taiwan, and Thailand, resulting in continuation of the measures with respect to Greece, Indonesia, Spain (Nervacero), and Taiwan (Power Steel) in 2023;

Presently, despite having measures in place for DBIC *and* DBIL from China, Greece, Indonesia, Korea, Spain, and Taiwan, Infrabuild is seeking new anti-dumping measures to be imposed on imports of *only* DBIL from Indonesia, Malaysia, Thailand, Türkiye, and Vietnam. That is, Infrabuild does *not* claim that new anti-dumping measures is required on imports of DBIC products – presumably because there is no dumping and/or it is not materially injured by the same.

Further, despite the Applicant's repeated request for the Commission to continue the measure as against Celsa Barcelona on the basis that it is part of the broader Celsa Group, and that other entities within the group continue to supply Australia, the Applicant does not claim that those imports from those other entities are either dumped or causing material injury to Infrabuild. Again, presumably because there is no such dumping or injury.

In light of Infrabuild's own record of thorough and aggressive use of anti-dumping actions, it would be reasonable for the Commission to infer that:

1 Infrabuild does not consider the existing and ongoing imports of any rebar products from exporters affiliated with Celsa Barcelona to be dumped and causing injury.

2 Infrabuild does not consider that it is being injured by the imports of DBIC.

3 the Applicant's attempt to attribute any hypothetical dumping or injury causation to Celsa Barcelona – who has ceased exporting the goods under consideration to Australia since April 2020 – is not credible.

## B Celsa Barcelona's approach towards Australian market and the subject measure is compatible with allowing expiry of the measure

In so far as Celsa Barcelona's own export record and practice are concerned, we draw the Commission's attention to the following relevant facts:

- Following the first continuation inquiry, the Commissioner recommended, and the Minister accepted, that the dumping measure was to continue with respect to exports from Celsa Barcelona, but at a duty rate of 0% after 19 November 2020.

- A revised duty rate of 9.4% was applied to exports from Celsa Barcelona from 16 December 2021, based on the dumping margin determined in Review 566. This high dumping margin was mostly due to the unexpected outbreak and disruption of Covid-19, which caused abnormal increase to the ocean freight component of Celsa Barcelona's Australian sales orders that were negotiated in February 2020. Those shipments were made under the original dumping duty, prior to the 0% duty rate coming into place. As such, the high dumping margin reflected an isolated and exceptional historical circumstance that would be unlikely to repeat.

- Despite enjoying a 0% duty rate measure for more than 12 months following the first continuation inquiry, Celsa Barcelona has **[CONFIDENTIAL TEXT DELETED – information regarding export records]**. That is, Celsa Barcelona's commercial decisions and sales planning are not centred around the Australian market or taking advantage of the low or lack of Australian dumping duty. This directly contradicts any allegation or insinuation by Infrabuild that expiry of the present measure would be causative to the recurrence of dumping and any associated injury by Celsa Barcelona.

- Celsa Barcelona has a strong focus on sustainability and profitability rather than market expansion. This is reflected in the information presented in Celsa Barcelona's exporter questionnaire response, which shows that its focus has moved away from the export markets for rebar – irrespective of the existence and non-existence of any dumping duty, or available capacity.

## C Questions surrounding Infrabuild continue to be unresolved

In contrast to Celsa Barcelona's transparency, commitment towards long-term prosperity and a strong focus on sustainability, there have been growing questions surrounding the "Australian industry". We refer to the following:

- The Applicant of this continuation inquiry, Infrabuild Newcastle, has not made its response to the industry questionnaire available for this inquiry (if there is one);

- The Application lodged by Infrabuild Newcastle is excessively redacted, preventing interested parties, including Celsa Barcelona, from properly understanding and scrutinising the Application;

- The Industry Verification Report published on 7 July 2025 appears to indicate that the Commission was only allowed to visit and verify the two Infrabuild entities that produce DBIL, rather than the Applicant of this inquiry, being the DBIC producer Infrabuild Newcastle;

- Even at the time of the Commission's verification, Infrabuild had still not fulfilled its legal obligation of filing its audited financial statement. This defect was only addressed some three months after the verification, and shortly before ASIC took legal actions against the other companies within the GFG Alliance for continuing to fail to lodge their accounts.[1]

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[1] Attachment 1 – ASIC seeks orders compelling large proprietary companies in the GFG Alliance Group to lodge outstanding financial reports

- The Commission's Verification Report does show that, Infrabuild's economic conditions were significantly affected by fast rising "financial costs" which increased almost tenfold in recent periods.[2] It is unclear whether such increase is caused by the broader financial troubles of GFG Alliance rather than the Australian market condition and the subject measure.

- Infrabuild (it is not clear which one) appears to allege that its transactions with related parties are all arms length, and have attempted to downplay the impact of the operation of the broader GFG Group, particularly its steel billet supplier located in Whyalla. This is contradictory to the discovery and reports concerning OneSteel Manufacturing Pty Limited, being the original Applicant for the imposition of the current measure, and a related party supplier of Infrabuild during the inquiry period. These reports became available once the South Australian Government put OneSteel into administration on 19 February 2025.[3] Amongst other things, those reports raise questions as to Infrabuild's own approach towards related party transactions as well as its commercial and financial relationship with the broader GFG Alliance. We refer to the following reports which came to light after the Commission's verification visit of Infrabuild in February 2025:

    - *InfraBuild, the most profitable business in British industrialist Sanjeev Gupta's faltering global business, has crashed to a loss of more than $80 million in six months, paying millions of dollars to cover the legal expenses of the creditors chasing his other companies for repayment.*

      *The company's finances were disclosed in a presentation sent to InfraBuild bondholders, which note it is owed $156 million by the Whyalla steelworks, once part of Gupta's empire and now in the hands of administrators after the South Australian government seized assets last month.*[4]

    - *… InfraBuild took 80 per cent of supply of Whyalla's output. "They have a strong hand at the bargaining table."*

      *But he said Whyalla was selling steel billet – metal bars which are processed into other products – to InfraBuild too cheaply. The pricing currently was based on the Black Sea billet index instead of South-East Asia billet prices, which are about 7 per cent higher and would benefit the Whyalla plant's finances.*[5]

    - *…a presentation to InfraBuild bondholders late last year obtained by The Australian Financial Review showed the substantial related-party transactions at hand.*

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2 EPR660-14, Table 5

3 We understand this occurred during the same time as the Commission's verification visit to Infrabuild.

4 Attachment 2 – AFR – Gupta's InfraBuild sinks to $81m half-year loss as debts balloon

5 Attachment 3 – AFR – Whyalla steelworks sought $144m cash for steel that did not exist yet

*InfraBuild bought $272 million of steel billet – metal bars which are processed into other products – and $154 million of hot-rolled structural steel from the Whyalla steelworks in the year to June 30, 2024. That equated to 400,000 tonnes of steel.*[6]

- *…InfraBuild's credit profile is exposed to governance risks. The ownership of InfraBuild is concentrated with the GFG Alliance, which has been unable to reach a debt settlement since 2021. GFG's Whyalla asset was forced into administration, and the group is being investigated by the UK's Serious Fraud Office (SFO) for suspected fraud and money laundering. InfraBuild has a record of related-party transactions. Its board of directors has only three independent members out of seven.*[7]

- *The somewhat material matter of solvency looms as the largest issue for the former Whyalla Steelworks owner while the spotlight on related party transactions is also expected to be considered as part of any official brief.*

  *Whyalla administrator KordaMentha in February told the Federal Court the tycoon's accounting entanglement – which includes a plethora of service fees and inter-company charges – "made it difficult for the administrators to obtain a complete set of the books and records".*[8]

- These reports highlight that the ever-growing questions surrounding the operation of the GFG Alliance and Infrabuild require the Commission to be extra vigilant and diligent in assessing Infrabuild and its claims. Such additional caution is warranted, not only in light of the extraordinary discoveries from the Administrator and the South Australian Government at OneSteel's operation in Whyalla, as highlighted above, but also in light of reports concerning the GFG Alliance more broadly, for example:

  *It was November 2018, and a small group of bankers at Credit Suisse, who had long mistrusted Gupta and his group of companies known as Liberty House, had hired a private intelligence firm to probe his dealings. Now they were flagging its eye-popping conclusion to their superiors: he was, the report claimed, a central player in a web of companies that had made many trades that were "simply fake".*

  *"Liberty and Sanjeev Gupta were a clear participant in the fraud," according to the report, reviewed by Bloomberg. The alleged wrongdoing, which included fake documents and hidden related-party deals, had cost banks in the United Arab Emirates some 16 billion dirhams ($6.7 billion), the report claimed.*[9]

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6 Attachment 4 – AFR – Gupta's 'ringfenced' InfraBuild bought $430m of Whyalla steel

7 Attachment 5 – Fitch – Fitch Downgrades InfraBuild Australia's IDR to 'CC'

8 Attachment 6 – The Australian – ASIC's Gupta case file about to get a whole lot fatter

9 Attachment 7 – AFR – 'Simply' fake - the dossier that warned about Sanjeev Gupta

It is of course beyond Celsa Barcelona's capability to meaningfully evaluate or to propose the extent to which these reports and questions cast doubt on Infrabuild's claims in this continuation inquiry, and undermine the Commission's ability to conduct a proper assessment of the same. However, Celsa Barcelona recalls again that the Commissioner's legal obligation is to not recommend the Minister to continue the measure with respect to exports from Celsa Barcelona unless positive evidence, on the balance of probability, satisfies the Commissioner that the relevant criteria under s269ZHF(2) has been met. If there are critical uncertainties or questions that would prevent the Commissioner from forming such a conclusive view, then the only legally correct and appropriate finding must be to refrain from making such a recommendation.

Yours sincerely

**Charles Zhan**
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