CUSTOMS ACT 1901 - PART XVB

FINAL REPORT NO 680

ACCELERATED REVIEW

OF THE DUMPING DUTY NOTICE APPLYING TO

HOT ROLLED STRUCTURAL STEEL SECTIONS EXPORTED TO AUSTRALIA FROM THE REPUBLIC OF KOREA BY

DONGKUK STEEL MILL CO LTD

25 August 2025

CONTENTS

ABBREVIATIONS

the accelerated review period	1 April 2024 – 31 March 2025
the Act	*Customs Act 1901* (Cth)
ADN	Anti-Dumping Notice
Applicant	Dongkuk Steel Mill Co Ltd
Country	The Republic of Korea
ROK	The Republic of Korea
the commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
CTM	cost to make
Dumping Duty Act	*Customs Tariff (Anti-Dumping) Act 1975*
EPR	electronic public record
FOB	free on board
the goods or HRSS	Hot rolled structural steel sections
IDD	interim dumping duty
initiation notice	ADN No 2025/046
Investigation 223	original investigation
IDD	interim dumping duty
Dongkuk	Dongkuk Steel Mill Co Ltd
CVAL	Customs Value of goods
the Manual	the Dumping and Subsidy Manual
MCC	model control code
the Minister	the Minister for Industry and Science
the notice	the dumping duty notice
ABF	Australian Border Force
AUD	Australian Dollars
OCOT	ordinary course of trade
SG&A	Selling, general, and administrative
NIP	Non-injurious price
USP	unsuppressed selling price
CON505	Continuation Inquiry 505
CON637	Continuation Inquiry 637
CON660	Continuation Inquiry 660
OneSteel	OneSteel Manufacturing Pty Ltd
AR600	Accelerated Review 600
REV642	Review of Measures 642
REP 642	*Anti-Dumping Commission Report No. 642*

REP 223	*Anti-Dumping Commission Report No. 223*
REQ	response to the exporter questionnaire

1 SUMMARY AND RECOMMENDATIONS

1.1 Introduction

On 15 May 2025, Dongkuk Steel Mill Co Ltd (Dongkuk) made an application to the Anti-Dumping Commission (the commission), seeking an accelerated review of the dumping duty notice (the notice) applying to hot rolled structural steel sections (the goods or HRSS) exported to Australia from the Republic of Korea (ROK).[1]

Dongkuk is currently subject to a rate of interim dumping duty (IDD) of 12.5%. This rate reflects the rate for 'all other exporters' as determined by the then Minister for Industry and Science (the former Minister) following *Anti-Dumping Commission Report No 642* (REP 642).[2] Dongkuk has applied for an accelerated review on the basis that the rates of duty set out in the notice for 'all other exporters' should not apply to its exports of the goods.

1.2 Recommendation

The Commissioner of the Anti-Dumping Commission (the Commissioner) recommends that the Minister for Industry and Innovation and the Minister for Science (the Minister) alter the notice, so as to apply to Dongkuk as if different variable factors had been fixed relevant to the determination of IDD.

As part of this accelerated review, the commission has calculated a dumping margin of 3.0% in respect of the goods exported by Dongkuk. Therefore, the Commissioner recommends that, as a result of this accelerated review, Dongkuk be subject to a combination duty comprised of a fixed component of IDD of 3.0% and a variable component equal to the ascertained export price determined in this accelerated review.

This report sets out the facts on which the Commissioner has based the recommendations to the Minister.

1.3 Background to the measures

The anti-dumping measures were initially imposed by public notice on 20 November 2014 by the relevant Minister following the original investigation (Investigation 223) after receiving an application from OneSteel Manufacturing Pty Ltd (OneSteel). The findings of that investigation are detailed in Anti-Dumping Commission Report No 223 (REP 223).[3] The measures imposed were only anti-dumping measures, not countervailing measures.

The measures have been continued twice: on 21 November 2019 following Continuation Inquiry 505 (CON505) and again on 21 November 2024 following Continuation Inquiry 637 (CON637). The measures were most recently amended on 24 April 2025 in Review of Measures 642 (REV642).

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[1] Electronic public record (EPR) for case 680, document no 1.
[2] EPR 642, document no 19 and ADN 2025/027.
[3] EPR 223, document no 96

The current measures applicable to HRSS are contained in Table 1 below.

Country	Exporter	Fixed rate of IDD	Duty method
Japan	Uncooperative and all other exporters	15.8%	Combination
ROK	Hyundai Steel	6.8%	ad valorem
	Uncooperative and all other exporters	**12.5%**	**Combination**
Taiwan	Dragon Steel	7.0%	Combination
	Uncooperative and all other exporters	10.8%	Combination
Thailand	Uncooperative and all other exporters	5.7%	Combination

Table 1: Current rates on HRSS

Dongkuk is currently subject to the 'all other exporter' rate of IDD of 12.5%. Further detail about these measures can be found on the Dumping Commodity Register on the commission's website.[4]

1.4 Legislative framework

Division 6 of Part XVB of the *Customs Act 1901* (Cth) (the Act)[5] allows new exporters to apply for an accelerated review of anti-dumping measures. This Division, among other matters:

- sets out the procedures to be followed and the matters to be considered by the Commissioner in conducting accelerated reviews for the purpose of making a report and recommendation to the Minister, and
- allows the Minister, after consideration of such reports, to leave the notices unchanged or to modify them as appropriate.

1.5 Findings

The commission has found that Dongkuk did not export the goods to Australia during the original investigation period.[6] Dongkuk, therefore, meets the definition of a 'new exporter' under section 269T(1) and is eligible to apply for an accelerated review.

Based on all relevant and available information, the Commissioner considers that the variable factors relevant to Dongkuk's exports of the goods to Australia are not appropriate.

The commission calculated the variable factors relevant to the determination of dumping duty payable by Dongkuk as follows:

- The export price was calculated under section 269TAB(3), having regard to all relevant information.

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[4] The Dumping Commodity Register

[5] All legislative references in this report are to the *Customs Act 1901* (Cth) unless otherwise specified.

[6] The original investigation into Hot rolled structural sections from ROK was Investigation No 223, covering the period 1 October 2012 to 30 September 2013.

- The normal value was calculated under section 269TAC(1) with certain adjustments, in accordance with section 269TAC(8).

Based on the above findings and pursuant to section 269ZG(1), the Commissioner recommends that the Minister alter the notice so as to apply to Dongkuk as if different variable factors had been fixed.

The Commissioner recommends to the Minister that the combination method be used to calculate the IDD payable by Dongkuk, which will be comprised of a fixed component of IDD of 3.0% and a variable component equal to the ascertained export price determined in this accelerated review.

If accepted by the Minister, the Commissioner recommends that the new measures take effect retrospectively from the date the application was lodged, 15 May 2025.

2 BACKGROUND

2.1 The goods

2.1.1 Description

The goods subject to anti-dumping measures are defined as follows:

Full description of the goods the subject of the application
Hot rolled structural steel sections in the following shapes and sizes, whether or not containing alloys: • universal beams (I sections), of a height greater than 130mm and less than 650mm; • universal columns and universal bearing piles (H sections), of a height greater than 130mm and less than 650mm; • channels (U sections and C sections) of a height greater than 130mm and less than 400mm; and • equal and unequal angles (L sections), with a combined leg length of greater than 200mm. Sections and/or shapes in the dimensions described above, that have minimal processing, such as cutting, drilling or painting do not exclude the goods from coverage of the application.
Further information
Goods excluded from this application are: • hot rolled 'T' shaped sections, sheet pile sections and hot rolled merchant bar shaped sections, such as rounds, squares, flats, hexagons, sleepers and rails; and • sections manufactured from welded plate (e.g. welded beams and welded columns).

Table 2: The goods the subject of the application

2.1.2 Tariff classification

The goods are generally classified according to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995* (Cth):[7]

Tariff subheading	Statistical code	Description
7216	**ANGLES, SHAPES AND SECTIONS OF IRON OR NONALLOY STEEL**	
7216.3	U, I or H sections, not further worked than hot-rolled, hot-drawn or extruded, of a height of 80 mm or more	
7216.31.00	30	-- U sections
7216.32.00	31	-- I sections
7216.33.00	32	-- H sections
7216.40.00	33	- L or T sections, not further worked than hot-rolled, hotdrawn or extruded, of a height of 80 mm or more

Table 3: Tariff classification of the goods

[7] These tariff classifications and statistical codes may include goods that are both subject and not subject to the anti-dumping measures. The listing of these tariff classifications and statistical codes is for convenience or reference only and does not form part of the goods description. Please refer to the goods description for authoritative detail about goods subject to the anti-dumping measures.

2.1.3 Like goods

Section 269T(1) defines like goods as 'goods that are identical in all respects to the goods under consideration or that, although not alike in all respect to the goods under consideration, have characteristics closely resembling those of the goods under consideration.' The commission's framework for assessing like goods is outlined in Chapter 2 of the commission's *Dumping and Subsidy Manual* (the Manual).[8]

The commission examined Dongkuk's domestic sales of the goods in ROK, having regard to the description of the goods above. The commission considers that the goods sold domestically by Dongkuk have characteristics closely resembling those of the exported goods and are, therefore, 'like goods' in accordance with section 269T(1).

2.2 Accelerated reviews

The legislative framework that underpins the making of, and the Commissioner's consideration of, an application for an accelerated review of dumping and countervailing duty notices is contained in Divisions 1 and 6 of Part XVB of the Act.

If the Commissioner does not terminate an accelerated review, the Commissioner must provide the Minister a report no later than 100 days after the application is lodged.[9] The report must recommend that the notice, the subject of the application:

- remain unaltered[10] or
- be altered so as to apply to the applicant as if different variable factors had been fixed[11]

and set out the reasons for so recommending.[12]

After considering the recommendation of the Commissioner and reasons for the recommendation, the Minister must declare the outcome of the accelerated review via a public notice published on the commission's website.[13]

2.3 Notification and public record

On 15 May 2025, Dongkuk lodged an application for an accelerated review of the notice applying to HRSS exported to Australia from ROK, in so far as the notice affects Dongkuk.

The Commissioner considered the application to determine if it was made in accordance with sections 269ZE and 269ZF. The Commissioner was satisfied that:

- the circumstances in which an accelerated review can be sought under section 269ZE(1) were met

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[8] Available on the commission website at www.adcommission.gov.au.
[9] Section 269ZG(2).
[10] Section 269ZG(1)(a).
[11] Section 269ZG(1)(b).
[12] Section 269ZG(1).
[13] Section 269ZG(3).

- the conditions for rejection under section 269ZE(2) were not satisfied and
- the application complied with the content and lodgement requirements of section 269ZF(1).

The Commissioner therefore decided not to reject the application and published ADN No 2025/046 (the initiation notice) initiating this accelerated review on 4 June 2025.[14]

There is no legislative requirement for the Commissioner to maintain a public record for accelerated reviews. However, in the interests of ensuring this process is conducted in an open and transparent manner, a public record for this accelerated review has been maintained and is accessible on the commission's website.

The initiation notice advised that the Commissioner's recommendation will be made in a report on or before **25 August 2025.**[15]

For the purposes of the accelerated review, the period examined is 1 April 2024 to 31 March 2025 (the accelerated review period).

2.4 Securities

No interim duty can be collected in respect of goods, to which the application relates, that entered into home consumption after an application for accelerated review is lodged until the completion of the review. However, the Commonwealth may require and take securities in respect of any interim duty that may be payable under section 42.[16]

In the initiation notice, the Commissioner declared that the Commonwealth is requiring and taking such securities.

2.5 Information gathered

2.5.1 Exporter questionnaire and verification

Following receipt of the accelerated review application, the commission sent an exporter questionnaire to Dongkuk. The response to the exporter questionnaire (REQ) was originally due on 23 June 2025. Following a request from Dongkuk, the commission granted an extension of one day. On 24 June 2025, the commission received a completed REQ from Dongkuk. A non-confidential version of the REQ is on the public record.[17]

This REQ contained information and data in relation to Dongkuk's:

- domestic and third country sales of like goods
- production and selling costs of like goods
- selling, general and administrative costs of like goods

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[14] Refer to ADN No 2025/046.
[15] As 23 August 2025 is a Saturday, the recommendation must be made no later than 25 August 2025, being the next day that is not a Saturday, a Sunday or a holiday.
[16] Section 269ZH.
[17] EPR 680, Document no. 3.

- company structure and organisation (and details of income tax paid and payable).

Consequently, the commission is satisfied:

- that Dongkuk is an exporter of the goods
- as to the accuracy, relevance and completeness of the data supplied by Dongkuk, upon which the findings of this accelerated review are based
- that the information provided by Dongkuk is accurate and reliable for the purpose of ascertaining variable factors in this accelerated review.

2.6 Submissions received from interested parties

In the initiation notice, the commission invited interested parties to lodge submissions concerning this accelerated review before 3 July 2025.

The commission has received one submission to this accelerated review. It was received from Dongkuk on 13 August 2025. A non-confidential version of the submission is available on the EPR[18]. In preparing this final report, the Commissioner had regard to Dongkuk's submission. The commissioner's assessment is contained in section 4.3.3 of this report.

[18] EPR 680, Document no. 4.

3 EXPORT PRICE

3.1 Legislative framework

The export price is determined in accordance with section 269TAB.

Specifically relevant in this case is section 269TAB(3) that provides that:

> *…where the Minister is satisfied that sufficient information has not been furnished, or is not available, to enable the export price of goods to be ascertained under the preceding subsections, the export price of those goods shall be such amount as is determined by the Minister having regard to all relevant information.*

3.2 Findings

The commission found that Dongkuk did not export the goods to Australia during the accelerated review period.

As such, the export price of the goods cannot be determined under the preceding sections including section 269TAB(1). Specifically, sufficient information is not available to determine the export price of the goods using:

- the price paid or payable for the goods by the importer[19]
- the price at which the goods were sold by the importer in Australia less prescribed deductions[20]
- the price having regard to all the circumstances of the exportation.[21]

The commission considered an export price could be determined under section 269TAB(3), for the purposes of this accelerated review, having regard to all relevant information, on the basis that sufficient information has not been furnished, or is not available, to enable the export price of goods to be ascertained under the preceding subsections. The approach taken by the commission to determine the export price under section 269TAB(3) is outlined in Chapter 3.3 below.

The commission's export price calculation is set out in **Confidential Appendix 1**.

3.3 The commission's assessment

The Commissioner considers that the best available and relevant information to determine an export price under 269TAB(3) for Dongkuk from ROK in the accelerated review period is the ascertained export prices currently applying to HRSS exported to Australia from ROK. These ascertained export prices were determined by the Minister on 15 April 2025 in relation to REV642. The ascertained export prices in REV642 were established using export data submitted by the cooperative exporter for the review period 1 April 2023 to 31 March 2024.

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[19] Section 269TAB(1)(a).
[20] Section 269TAB(1)(b).
[21] Section 269TAB(1)(c).

The commission has applied a timing adjustment to account for the movement in export prices between the REV642 review period, and the current accelerated review period to ensure that the export price determined under subsection 269TAB(3) reflects contemporaneous prices.

The timing adjustment is based on the movement in the Customs Value (CVAL) of goods, Free on Board (FOB) export prices in Australian dollars (AUD) for HRSS exported from ROK by all exporters from Australian Border Force (ABF) data. The Commissioner considers that this information is recent and relevant and is the best information available to the commission upon which to base a timing adjustment in this instance.

Applying a timing adjustment not only ensures that the export prices, as calculated for the purposes for the review, reflects contemporary prices but also ensures that the variable component of the duty applied following this review reflects the general movements in export prices.

Details of the export price calculations are at **Confidential Appendix 1**.

4 NORMAL VALUE

4.1 Legislative framework

The normal value is determined in accordance with section 269TAC. Section 269TAC(1) provides that:

> *…[T]he normal value of any goods exported to Australia is the price paid or payable for like goods sold in the **ordinary course of trade** for home consumption in the country of export in sales that are **arms length** transactions by the exporter or, if like goods are not so sold by the exporter, by other sellers of like goods.*

4.2 Findings

The commission is satisfied that there were sufficient volumes of sales of like goods sold for home consumption in the country of export that were 'arms length' transactions and at prices that were within the ordinary course of trade (OCOT). Accordingly, the commission has determined the normal value under section 269TAC(1).

The commission's cost to make and sell calculations are at **Confidential Appendix 2** and the normal value and adjustment calculations are at **Confidential Appendix 3**.

4.3 The commission's assessment

4.3.1 Arms length assessment

The arms length assessment is determined in accordance with section 269TAA. Section 269TAA(1) provides that:

> *(1) For the purposes of this Part, a purchase or sale of goods shall not be treated as an arms length transaction if:*
>
> *(a) there is any consideration payable for or in respect of the goods other than their price; or*
>
> *(b) the price appears to be influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller; or*
>
> *(c) in the opinion of the Minister the buyer, or an associate of the buyer, will, subsequent to the purchase or sale, directly or indirectly, be reimbursed, be compensated or otherwise receive a benefit for, or in respect of, the whole or any part of the price.*

In respect of Dongkuk's domestic sales of like goods to its customers during the inquiry period, the commission found **no evidence** that:

- there was any consideration payable for, or in respect of, the goods other than their price
- the price appeared to be influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller

- the buyer, or an associate of the buyer, was directly or indirectly reimbursed, compensated or otherwise receive a benefit for, or in respect of, the whole or any part of the price.

The commission notes that all sales were to unrelated customers. In a recent verification of Dongkuk conducted as part of Continuation Inquiry 660 (CON660) on steel reinforcing bar from Spain and Republic of Korea, the commission found that, for all unrelated customer transactions, Dongkuk sold the domestic goods at arm's length as defined under section 269TAA.

Based on the nature of the customer transactions verified in CON660, the commission considers that all domestic sales made by Dongkuk to its customers (all unrelated) during the inquiry period were 'arms length' transactions.[22]

4.3.2 Ordinary course of trade (OCOT)

Section 269TAAD states that domestic sales of like goods are not in the OCOT if 'arms length' transactions are both of the following:

- unprofitable in substantial quantities (not less than 20%[23]) over an extended period
- unlikely to be recoverable within a reasonable period.[24]

In order to test the profitability of Dongkuk's domestic sales, the commission first need to determine the cost of production of the goods.

Under section 269TAAD(4) of the Act, the cost of goods is worked out by adding:

- the amount determined by the Minister to be the cost of production or manufacture of those goods in the country of export (section 269TAAD(4)(a)); and
- the amount determined by the Minister to be the administrative, selling, and general costs associated with the sale of those goods (section 269TAAD(4)(b)).

Under section 269TAAD(5) the amounts for the purposes of section 269TAAD(4)(a) and (b) must be worked out in such manner, and taking account of such factors, as the regulations provide. Under sections 43(2) and 44(2) of the *Customs (International Obligations) Regulation 2015* (Cth), if the exporter's records are in accordance with generally accepted accounting principles in the country of export and reasonably reflect competitive market costs associated with the production or manufacture of like goods/reasonably reflect the SG&A costs associated with the sale of the like goods, the Minister must work out the amounts in section 269TAAD(4) by using the information set out in the exporter's records.

Generally accepted accounting principles

[22] Section 269TAA refers.
[23] Section 269TAAD(2)
[24] In general, the commission will consider 'extended period' and 'reasonable period' to be the investigation, review or inquiry period.

Based on the verification of Dongkuk's records conducted as part of CON660, the commission is satisfied that the exporter's records are in accordance with the generally accepted accounting principles in the exporting country.

Cost to make (CTM) reasonably reflecting competitive market costs

For this accelerated review, the commission accepted Dongkuk's CTM data based on its REQ. The commission has not adjusted any items recorded in Dongkuk's cost of production.

The commission notes that in analysing the raw material (scrap) costs provided by Dongkuk in their REQ, the commission noted a slight variance between the standard costings applied to scrap produced and reused as part of the production process and the actual cost of that scrap. However, in two previous verifications of Dongkuk's scrap costing data undertaken for Accelerated Review 600 (AR600) and CON660 on steel reinforcing bar, the commission found Dongkuk applied a standard scrap offset unit price to all scrap generated during production of the goods in the investigation period. For cases AR600 and CON660, the commission tested if there was a material variance between Dongkuk's recorded scrap offset unit price and the actual price of scrap generated and found that the variance was very small. In this accelerated review, because the variance was previously found to be very small, the commission decided that the impact of not making the adjustment that was made in AR600 and CON660 was not material.

Reasonably reflects competitive market costs

Given the recency of the verifications conducted for AR600 and CON660, and the fact that the cost to make of Dongkuk was found to be reliable in those verifications, the commission is satisfied that the records reasonably reflect competitive market costs associated with the production and sale of like goods. The commission's cost to make and sell calculations are at **Confidential Appendix 2**.

Selling, general, and administrative (SG&A) costs

The commission has used Dongkuk's SG&A based on its records. This is because the commission has recently verified Dongkuk's SG&A costs in relation to CON660 and is satisfied that the records reasonably reflect the SG&A costs associated with the sale of like goods.

Profitability

The commission tested the profitability of Dongkuk's domestic sales by comparing the net invoice price against the relevant cost for each domestic sales transaction. The commission tested whether the unprofitable sales were in substantial quantities (not less than 20%) by comparing the volume of unprofitable sales to the total sales volume, for each model control code (MCC) over the inquiry period. The commission then tested recoverability by comparing the net invoice price against the relevant weighted average cost over the inquiry period for each domestic sales transaction.

Based on the above analysis, the commission has found that Dongkuk's domestic sales were 'arms length' transactions in the OCOT.

4.3.3 Adjustments

Adjustments to the normal value are determined in accordance with section 269TAC(8) that states:

> *(8) Where the normal value of* goods *exported to* Australia *is the price paid or payable for like* goods *and that price and the export price of the* goods *exported:*
>
> *(a) relate to sales occurring at different times; or*
>
> *(b) are not in respect of identical* goods*; or*
>
> *(c) are modified in different ways by taxes or the terms or circumstances of the sales to which they relate;*
>
> *that price paid or payable for like* goods *is to be taken to be such a price adjusted in accordance with directions by the Minister so that those differences would not affect its comparison with that export price.*

The commission considers that in this case; it is necessary to make adjustments to the normal value to ensure a fair comparison of the normal values and export prices of the goods exported to Australia on an FOB cash basis in accordance with section 269TAC(8). In this case, the commission determined that the adjustments outlined in Table 4 were necessary.

Adjustment type	Deduction/ addition
a. Domestic - Credit terms	Deduction
b. Domestic - Inland transport	Deduction
c. Domestic - Packaging	Deduction
d. Export - Port handling & other charges	Addition
e. Export - Inland transport	Addition
f. Export - Bank charges	Addition

Table 4: Normal value adjustments

The domestic adjustments to the normal value (see items a-c in Table 4) were determined using domestic sales data provided by Dongkuk in its response to the export questionnaire in this accelerated review. However, in circumstances where an applicant has not yet exported the goods to Australia, as is the case for Dongkuk, there is no export sales information available to calculate the export adjustments to the normal value (see items d-f in Table 4). Therefore, the commission uses the best available information to calculate the export adjustments at FOB cash basis.

In its REQ, Dongkuk stated:

> *Since Dongkuk Steel did not export any GUC [goods under consideration] to Australia during the review period … Dongkuk Steel proposes that inland freight*

and port handling charges verified during the recent reinforcing bar review are reasonable for upward adjustment in this inquiry[25].

The commission considered the export sales data that was verified as part of CON660 in relation to exports of steel reinforcing bar to Australia and determined that it is suitable for calculating the export adjustments to normal value in this accelerated review for the following reasons:

- It is the most recently verified export sales data available for Dongkuk for export sales to Australia for a steel product.
- The inquiry period of this accelerated review (April 2024 to March 2025) and CON660 (1 October 2023 – 30 September 2024) are similar and overlap by 6 months.
- The data provided for CON660 was found to be accurate and reliable during verification.

Dongkuk's 13 August 2025 submission

On 13 August, Dongkuk made a submission to this accelerated review[26] stating that "*the rebar export expenses are not appropriate for adjusting normal values to free-on-board [FOB] terms*". The reasons provided by Dongkuk were:

1. The review periods are misaligned, and because inland transport charges are linked to fuel costs, the inland freight expenses from CON660 do not reflect the costs for the current review period.
2. Dongkuk provided the commission with examples of recent quotations for HRSS exports showing contemporary actual inland transport and port handling charges which show actual expenses relevant for exports of HRSS during the review period.
3. CON660 involved exports of 'debar in coil' (rebar), which are shipped in containers and exported using break bulk shipping. Dongkuk submitted that container shipping incurs higher export costs than break bulk shipping, as it involves the use of containers and additional charges.

Commission's assessment

In considering Dongkuk's submission, the commission considered whether the information provided by Dongkuk in their submission is more suitable information to calculate the export sales adjustments in this accelerated review than the data verified in CON660.

In considering the suitability of the samples provided Dongkuk in its submission, the commission noted the following:

- Dongkuk provided one invoice from January 2025 and one quotation from April 2025. The invoice is from within the accelerated review period and the quotation is from after the accelerated review period.

[25] Page 32, EPR 680, Document no. 3.
[26] EPR 680, Document no. 4.

- The quotation specified that it was in relation to transport of H-beam (a type of HRSS) but the invoice does not specify the goods that were transported under the invoice.
- The invoice includes three charges: handling charges, inland freight and protection from rainfall. The applicant noted that the protection from rainfall charge is not typical for HRSS and should not be included in the cost calculation. However, the applicant did not provide any evidence to support its claim that 'protection from rainfall' is not typical.
- The sample provided by Dongkuk was one invoice and one quotation that were selected by the applicant rather than a random sample of invoices and relevant documentation selected and examined by commission staff during verification.

In considering the reasons that Dongkuk provided that the samples were more suitable for calculating the export adjustments than the CON660 verified data, the commission noted the following:

- Dongkuk claimed that the review periods for CON660 and AR680 are misaligned and therefore do not reflect current fuel costs. The commission noted that the review periods overlap by 6 months, the quotation provided by Dongkuk was from outside of the accelerated review period and that Dongkuk did not provide any evidence (apart from the single invoice) that fuel costs have caused a general change in inland transport costs during the relevant period.
- Dongkuk claimed that because CON660 data related to rebar, which is exported in containers, it is not suitable for HRSS that is exported 'break-bulk', due to the additional handling fees related to container shipping. However, the commission noted that costs associated with container and break-bulk shipping can vary significantly based on the several factors specific to the facts of each shipment. Given the time available to consider Dongkuk's submission and the time available for accelerated reviews generally, the commission was unable to verify this claim and Dongkuk did not provide further information to support this claim in its submission.

In addition to considering Dongkuk's claim, the commission also considered the suitability of the CON660 data and noted that:

- Dongkuk used the same transportation service provider for rebar in CON660 and in the quotation provided in the submission.
- The data provided for CON660 was found to be reliable in the verification.
- The export adjustment amount calculated using the CON660 data was based on the entire export sales listing of all export sales to Australia during the CON660 period, rather than based on a single invoice and quotation.

Therefore, for this accelerated review, the commission considered that the verified export sales data from CON660 was the best available information for calculating the export adjustments to the normal value in this accelerated review.

4.3.4 Summary of the commission's assessment

The commission is satisfied that there were sufficient volumes of sales of like goods sold for home consumption in the country of export that were 'arms length' transactions (see section 4.3.1) and at prices that were within the ordinary course of trade (OCOT) (see

section 4.3.2). Accordingly, the commission has determined the normal value under section 269TAC(1). The commission has calculated adjustments to the normal value under section 269TAC(8) using domestic sales data provided by Dongkuk in AR680 and export sales data provided by Dongkuk in CON660 because it is the best information available to calculate the adjustments (see section 4.3.3).

The commission's cost to make and sell calculations are at **Confidential Appendix 2** and normal value and adjustment calculations are at **Confidential Appendix 3**.

5 DUMPING MARGIN

5.1 Legislative framework

The dumping margin is determined in accordance with section 269TACB.

Under section 269TACB(1) the Minister must:

> *… determine, by comparison of those export prices with those normal values, whether dumping has occurred.*

Section 269TACB(2) specifies different methods to compare those export prices with those normal values. Relevantly, 269TACB(2)(a) provides that the Minister may:

> *(a) compare the weighted average of export prices over the whole of the investigation period with the weighted average of corresponding normal values over the whole of that period; or*
>
> *(aa) use the method of comparison referred to in paragraph (a) in respect of parts of the investigation period as if each of these parts were the whole of the investigation period[.]*

Additionally, 269TACB(2A) provides:

> *If paragraph (2)(aa) or (c) applies:*
>
> *(a) each part of the investigation period referred to in the paragraph must not be less than 1 month; and*
>
> *(b) the parts of the investigation period as referred to in paragraph (2)(aa)… must together comprise the whole of the investigation period.*

5.2 Findings

The dumping margin for the goods exported to Australia by Dongkuk for the accelerated review period is **3.0%.**

5.3 The commission's assessment

The commission compared the quarterly weighted average of export prices with the quarterly weighted average of corresponding normal values over the inquiry period, in accordance with section 269TACB(2)(a) and (aa). The commission found that the dumping margin for Dongkuk is **3.0%**.

The commission's dumping margin calculations are at **Confidential Appendix 4**.

6 NON-INJURIOUS PRICE

6.1 Finding

The commission determined the NIP using the same approach as was used in the most recent review of measures, REV642, and found that the NIP is higher than the normal value ascertained in this accelerated review. Therefore, the duty will be calculated with reference to the ascertained normal value, rather than the NIP.

6.2 Framework

6.2.1 The non-injurious price (NIP)

The non-injurious price (NIP) is defined in section 269TACA as the minimum price necessary to prevent the injury or a recurrence of the injury caused by the dumping. The NIP is a variable factor relevant to determining duty payable under the *Customs Tariff (Anti-Dumping) Act 1975* (Cth) (Dumping Duty Act).

The legislation does not prescribe a calculation method for the NIP. The commission generally derives the NIP by:

- establishing an unsuppressed selling price (USP), being a price at which the Australian industry might reasonably sell its product in a market unaffected by dumping (see below), then
- deducting the costs incurred in getting the goods from the export FOB point (or another point, if appropriate) to the relevant level of trade in Australia from the USP. The deductions normally include overseas freight, insurance, into store costs and amounts for importer expenses and profit.

According to Chapter 24.2 (page 106) of the dumping and subsidy manual[27]:

> *"…when establishing the USP/NIP in accelerated reviews under Division 6 of Part XVB of the Act, the Commission will not depart from the approach taken in the original investigation or a previous review."*

In this case, the most recent review of measures was REV642. In that case, the commission used the USP calculated in CON 637 and adjusted the USP by the movements in the import prices between the two periods.[28] Then, to calculate the NIP from the USP, the commission used the same methodology as was used in REV642 by deducting:

- *verified post-exportation costs for Hyundai Steel from the review (where applicable),*
- *post-exportation costs for all other exporters using ABF import data (where applicable),*

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[27] The Dumping and Subsidy Manual
[28] Report 642, page 48

- *post-importation costs and importer SG&A and profit from REV 499.*[29]

6.2.2 The lesser duty rule

Where the Minister is required to determine the IDD payable, section 8(5B) of the Dumping Duty Act applies. Under section 8(5B) of the Dumping Duty Act, where the NIP of the goods is less than the normal value of the goods, the Minister must have regard to the desirability of specifying a method such that the sum of the export price and the IDD payable does not exceed the NIP (this is the 'lesser duty rule').

6.3 The commission's assessment

The commission did not receive any updated information from OneSteel that could be used to recalculate the USP. Therefore, in accordance with the dumping and subsidy manual, the commission used the same approach taken to calculating the NIP in REV642 and used the USP calculated in CON 637 and adjusted the USP by the movements in the import prices between the two periods. The commission then used the same deductions as was used in REV642 to calculate the NIP from the USP.

The commission calculated the NIP and found that the NIP is higher than Dongkuk's ascertained normal values, therefore the Minister does not need to have regard to the lesser duty rule.

The commission's NIP calculations are at **Confidential Appendix 5**.

[29] Report 642, page 50

7 FORM OF MEASURES

7.1 Findings

The Commissioner found that the IDD payable on HRSS exported from ROK by Dongkuk should be calculated using the combination duty method pursuant to section 5(2) of the *Customs Tariff (Anti-Dumping) Regulation 2013* (Cth).

7.2 Legislative framework

The *Customs Tariff (Anti-Dumping) Regulation 2013 (Cth)* prescribes the methods available to the Minister for working out IDD payable. The methods are:

- fixed duty method ($X per tonne)
- floor price duty method
- combination duty method
- ad valorem duty method (a percentage of the export price).

More detail on the nature and operation of the various methods are contained in the Guidelines on the Application of Forms of Dumping Duty November 2013 (the Guidelines).[30]

7.3 The commission's assessment

Dongkuk is currently subject to a combination duty comprising of an ad valorem duty of 12.5% and a variable component, where duty is payable only when the actual export price is lower than the ascertained export price (AEP) determined in REV 642.

The commission has found that maintaining the combination duty method would be appropriate because

- the fixed element which is the *ad valorem* component in the combination method for this accelerated review is not equal to zero and this is expected to offset in the event of dumping, especially when there is a fluctuation in ascertained export price and
- the variable component that being set to the ascertained normal value (ANV) or the NIP is expected to offset injury to Australian industry.

The Commissioner considers that the duty method should remain the same for Dongkuk.

[30] Guidelines on the Application of Forms of Dumping Duty

8 EFFECT OF THE ACCELERATED REVIEW

If the Minister accepts the recommendations in this report, in respect of HRSS exported by Dongkuk to Australia from ROK:

- the notices will be altered, so as to apply to Dongkuk as if different variable factors had been fixed
- IDD will be worked out using the combination method

If the Minister accepts the recommendations in this report, these changes will take effect retrospectively from 15 May 2025 (being the date the application was lodged).

The commission notes that if the Minister declares that the Act and the Dumping Duty Act have effect as if the notices had applied to Dongkuk but the Minister had fixed different variable factors relevant to the determination of duty, pursuant to section 269ZG(3)(b), Dongkuk will not be eligible to seek another accelerated review.[31]

[31] See section 269ZE(1).

9 RECOMMENDATIONS

The Commissioner recommends that, in relation to HRSS exported to Australia from ROK by Dongkuk the:

- ascertained export price should be altered
- ascertained normal value should be altered.
- ascertained NIP should be altered.

The Commissioner recommends that the Minister consider this report, and if agreed to, issue a public notice to:

- declare under section 269ZG(3)(b) that, with effect from 15 May 2025, the Act and the Dumping Duty Act have effect as if the notices had applied to Dongkuk but different variable factors had been fixed in respect of Dongkuk, relevant to the determination of duty
- determine, pursuant to section 8(5) of the Dumping Duty Act, that the amount of IDD on the goods exported to Australia from ROK by Dongkuk is an amount worked out in accordance with the combination duty method as set out in section 5(2) of the *Customs Tariff (Anti-Dumping) Regulation 2013* (Cth), with effect from 15 May 2025.

The Commissioner recommends that the Minister be satisfied that:

- in accordance with section 269TAB(3), sufficient information has not been furnished or is not available to enable the export price of the goods exported to Australia from the ROK by Dongkuk to be ascertained under section 269TAB(1).

The Commissioner recommends that the Minister determine:

- in accordance with section 269TAB(3), having regard to all relevant information, that the export price(s) for Dongkuk as set out in chapter 3 and **Confidential Appendix 1**
- in accordance with section 269TAAD(4), and for the purpose of working out the cost of goods and determining whether the price paid for like goods sold in the country of export in sales that are arms-length transactions are taken to have been in the ordinary course of trade, that the amount for the cost of production or manufacture of the goods in ROK and the administrative, selling and general costs associated with the sale of those are as set out in **Confidential Appendix 2**
- in accordance with section 269TAC(1), being satisfied that like goods are sold in the OCOT for home consumption in ROK by Dongkuk in sales that are arms length transactions, that the normal value of the goods exported to Australia from the ROK by Dongkuk is the price paid or payable for like goods as set out in Chapter 4 and **Confidential Appendix 3**
- having applied subsection 269TACB(2)(aa) and in accordance with subsections 269TACB(1) and (4), that HRSS exported to Australia from ROK is taken to have been dumped, and the dumping margins for Dongkuk in respect of those goods is the difference between the quarterly weighted average export prices of HRSS for the four quarters between 1 April 2024 and 31 March 2025, and the quarterly

weighted average of corresponding normal values over that period, as set out in chapter 5 and **Confidential Appendix 4**.

The Commissioner recommends that the Minister direct:

- In accordance with section 269TAC(8), adjustments be made so as to ensure the normal value of goods exported from the ROK by Dongkuk is properly comparable to the corresponding export price of the goods, as set out in chapter 4 and **Confidential Appendix 3**

10 APPENDICES AND ATTACHMENTS

Confidential Appendix 1	Part a: ABF import data Part b: Export price calculations
Confidential Appendix 2	Cost to make and sell
Confidential Appendix 3	Part a: Domestic sales Part b: Normal value calculations
Confidential Appendix 4	Dumping margin
Confidential Appendix 5	Non injurious price