

29 January 2026

The Director - Investigations 3  
Anti-Dumping Commission  
GPO Box 2013  
Canberra ACT 2601

**By EMAIL:**  
**investigations3@adcommission.gov.au**

Dear Director,

**Review of Measures No. 676: Steel reinforcing bar exported from the People's Republic of China (China) by Baowu Group Echeng Iron and Steel Co., Ltd**

**AUSTRALIAN INDUSTRY REPLY TO EXPORTER SUBMISSION**

The member of the Australian industry producing like goods to the goods the subject of Review of Measures No. 676 (**REV676**), *InfraBuild (Newcastle) Pty Ltd (InfraBuild)*, responds to the recent submission<sup>1</sup> of the Chinese exporter and applicant *Baowu Group Echeng Iron and Steel Co., Ltd (Echeng)*.

InfraBuild strongly rejects the exporter's views that InfraBuild's concerns regarding the Commissioner's proposal to apply a floor price duty method at EXW terms are in any way '*speculative*' and '*unfounded*'.

InfraBuild's concerns are grounded in a very real structural issue within Australia's anti-dumping framework, which REV676 clearly highlights. That is, under the legislation, an exporter does not need to have exported during the review period to request a Review of Measures.

This structural weakness in Australia's anti-dumping framework essentially allows a "zeroing out" of an exporter dumping margin, without the exporter having ever exported to Australia, that is, without any demonstrated ability to comply with fair market behaviour.

When an exporter has no export data, there is no export price to compare normal values to, resulting in a dumping margin being set to zero. This creates a green light for future dumping, especially when the price of global raw materials increases and the floor price mechanism no longer functions effectively.

This is not a hypothetical scenario for a sophisticated major steel producer and trade remedy exposed exporter such as China's state-owned Baowu Group, the review mechanism loophole is clearly recognised as readily available for exploitation to neutralise trade remedies.

The issue was identified in the Explanatory Memorandum for the CUSTOMS AMENDMENT (ANTI-DUMPING MEASURES) BILL 2017.

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<sup>1</sup> EPR No. 676/013

*This Bill will facilitate the use of appropriate methodologies to determine an **export price during a review of measures for those Exporters who have not exported the goods**, or exported low volumes of the goods such that the export price cannot be reliably determined, during the period examined for the purpose of the review. This will allow specific information to be used to determine an export price **and limit Exporters' ability to subvert the anti-dumping framework and benefit from inappropriately reduced rates of duty that do not remedy the injurious effects of dumping.***

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*A further example is where **an Exporter has never exported the goods subject to measures to Australia**. In a review of measures in relation to that Exporter, if there have still been no exports, it may be appropriate to determine that Exporter's export price under subsection 269TAB(3) despite the methods in new subsection 269TAB(2B)*

Baowu Group, who the Commission acknowledges in SEF 676 'is the largest producer of crude steel in the world'<sup>2</sup> with enormous capacity, producing '130.1 million tonnes in 2024'<sup>3</sup> has the potential to influence global steel prices<sup>4</sup> and redirect volumes into markets with weakened trade protections. Baowu Group needs only a single entity in the Group to succeed in order to flood the Australian market with dumped rebar, with resulting injury that is unlikely to be remedied within a two year timeframe.

As per InfraBuild's submission on SEF 676<sup>5</sup>, we again urge the Commission to impose an effective dumping margin on Echeng, using all relevant available information, not limited to that provided by Echeng during virtual verification. It is entirely appropriate that Echeng's export price be determined under subsection 269TAB(3) using a similar methodology to that applied to all other exporters in SEF 669, with the historic and relevant export price of Echeng's related party associate, Shandong Laiwu, as determined in the original INV 300, to be used as the starting point for adjustment.

A zero margin outcome in this Review would effectively allow China's Baowu Group, via Echeng, to enter the Australian market without an effective remedy. Echeng's rebar exports would undoubtedly undercut Australian industry's prices and those of other fair trading importers, undermining the purpose of the anti-dumping framework.

Given the scale of Baowu Group's operations, the risk is not theoretical, it is immediate and material. The purpose of a Review of Measures is to ensure that measures remain effective, it should not be used to create a pathway for exporters to erase duties without demonstrating fair pricing. When an exporter has no export history, a review of the variable factors and resulting dumping margin becomes inherently asymmetric, effectively rewarding exporter non-participation. This is precisely the kind of trade remedy system vulnerability that large capacity, Chinese state-owned rebar producers like Baowu Group must not be allowed to exploit at the expense of Australian industry.

<sup>2</sup> SEF 676 at p47

<sup>3</sup> SEF 676 at p52

<sup>4</sup> <https://www.taipeitimes.com/News/biz/archives/2024/08/15/2003822240>

<sup>5</sup> EPR 676/012



In conclusion, allowing a zero margin outcome for a non-exporting entity of a global steel producing giant is not a neutral administrative decision by the Commission, it will have real and material consequences for Australia's steel industry and broader economic resilience.

FOR AND ON BEHALF OF

THE AUSTRALIAN INDUSTRY  
***InfraBuild Steel***