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

**Hot Rolled Coil Steel Exported from the People's Republic of China
Exemption request**

Dear Director,

We act on behalf of Baoshan Iron & Steel Co Ltd (Baoshan), Baosteel Zhanjiang Iron & Steel Co Ltd (Zhanjiang), and Shanghai Meishan Iron & Steel Co Ltd (Meishan) (collectively referred to herein as "Baosteel").

Baosteel presents this supplementary submission for exemption from interim dumping duties and interim countervailing duties, in relation to certain hot rolled coil steel ("HRC") products exported from China

Minister's Statement of Expectations

Baosteel notes the Minister for Industry and Innovation's Statement of Expectations for the Anti-Dumping Commission, published 3 October 2025. In particular, the Minister states: "I expect you to continue working to better harmonise trade remedy actions to support Australian manufacturers and consumers." The Statement further emphasises the importance of the anti-dumping system in "supporting the transition of metals and heavy industries to net zero" as part of the Government's Future Made in Australia and net-zero agenda.

Exempting Baosteel's BeyondECO green steel from duties would directly advance these Ministerial expectations. It harmonises trade remedy actions by ensuring Australian manufacturers and consumers retain access to essential low-carbon materials at competitive prices, while actively supporting the net-zero transition in Australia's metals and heavy industries through the supply of verified green steel that is not reasonably available from local production.

Baosteel respectfully requests that the Minister exempt the specified goods from the proposed duties on the grounds that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions, having regard to the custom and usage of trade, and/or that suitably equivalent goods produced or manufactured in

Australia are not reasonably available. These grounds align with the criteria outlined in Sections 8(7) and 10(8) of the Dumping Duty Act.

HRC in widths and thicknesses outside the scope of local production capabilities

Baosteel manufactures and supplies HRC in a full range of dimensions, including specific thickness and width combinations that are beyond the current capabilities of local Australian production. BlueScope Steel, Australia’s only domestic producer, explicitly states in its June 2025 HA250 Hot Rolled Strip Data Sheet (refer to **non-confidential Attachment A**) that “* *Not all thickness & width combinations are available*” and limits standard supply widths to 750 – 1550 mm.

Australian customers regularly specify and order the following typical HRC products from Baosteel, which BlueScope cannot supply in the required dimensions:

Thickness (mm)	Baosteel Coil Width (mm)	BlueScope Equivalent Offering
1.90	1524	1.90 mm × 1250 mm
2.40	1524	2.40 mm × 1250 mm
2.90	1800	3.00 mm × 1550 mm
4.00	1800	4.00 mm × 1550 mm
4.75	1800	4.75 mm × 1550 mm

These wider and/or thinner-in-wider-coil specifications are critical for roll forming, press brake forming, structural members, and general fabrications. Larger coil widths reduce slitting waste, improve production efficiency, and enable larger finished components without additional welds.

Further direct evidence that these dimensional specifications lie outside BlueScope’s production capability is provided by [REDACTED]

[REDACTED]:

[REDACTED]

[Confidential order details]

[REDACTED] contradicts any suggestion in BlueScope’s submissions that such products are readily substitutable within local production. It demonstrates that [REDACTED]. Refer to **confidential Attachment B** for the complete email chain.

Baosteel notes that, at this stage of the proceedings, it would be prepared to limit its request for exemption in respect of these dimensionally specialised products to the specific

dimensions of 2.95 mm thickness × 1800-2000 mm width in coil form and 3.95 mm thickness × 1800-2000 mm width in coil form. These reflect the more common dimensions required by Australian customers, that fall outside of the scope of Bluescope's production capabilities. This targeted approach would ensure that Australian industries continue to have access to the critical wider-coil specifications that cannot be supplied locally.

Since suitably equivalent goods in these exact dimensional combinations are not reasonably available from local production, these products fully satisfy the exemption criteria under Sections 8(7) and 10(8) of the Dumping Duty Act. Imposing duties on these dimensionally specialised products would restrict access to essential materials, increase manufacturing costs, reduce efficiency, and harm downstream industries in Australia.

Low carbon emission HRC (Green Steel - BeyondECO Brand)

Baosteel's low carbon emission HRC, branded as BeyondECO, is produced at Baosteel Zhanjiang Iron and Steel Co., Ltd. The products are manufactured using advanced low-carbon processes that optimise raw material selection, reduce energy consumption, and incorporate best-practice emission controls across the cradle-to-gate boundary.

These are hot rolled coils and sheets with a 30%-60% reduction in carbon emissions compared to conventional steel production. These products are environmentally friendly and designed to support sustainable supply chains. They are available in various forms suitable for construction and infrastructure applications.

Australian manufacturers that are forced to source from higher-emission domestic mills face a clear environmental disadvantage. BlueScope emits approximately 2.33-2.38 tCO_{2e} per tonne of HRC, whereas Baosteel's baseline is approximately 1.60-1.70 tCO_{2e} per tonne (with the verified BeyondECO®-30 product at 1.557 tCO_{2e} per tonne). Duties on Baosteel's green steel would therefore increase rather than reduce embodied carbon in Australian supply chains.

For the BeyondECO®-30 Hot-rolled products (a core variant within the BeyondECO range), independent third-party verification by TÜV SÜD confirms a partial product carbon footprint of 1.557 tCO_{2e} per tonne (declared unit: 1 tonne of BeyondECO®-30 Hot-rolled strip). The verified breakdown is as follows:

- Raw materials acquisition: 0.343 tCO_{2e}
- Transportation for raw materials: 0.050 tCO_{2e}
- Production: 1.164 tCO_{2e}
- Total: 1.557 tCO_{2e}

This verification was conducted in accordance with ISO 14064-3:2019 and ISO 14067:2018, for the period 1 January 2024 to 31 August 2024. The statement affirms compliance with the declared 30% carbon reduction relative to conventional hot-rolled steel baselines. Refer to **non-confidential Attachment C** for a copy of the Product Carbon Footprint Verification Statement No. P2GHG 128976 0001 Rev. 00, issued 25 October 2024.

Baosteel's low carbon emission HRC represents a cutting-edge advancement in sustainable steel production. To date, no local Australian supplier, including BlueScope Steel, offers

equivalent low-carbon HRC with comparable emission reductions (30%-60%). BlueScope Steel cannot produce such green steel.

While BlueScope Steel has made progress in reducing its overall emissions intensity by approximately 14% since FY2018 through operational efficiencies and projects like the NeoSmelt initiative, it does not currently produce or supply hot rolled coil products with the same level of carbon emission reductions as Baosteel's BeyondECO brand.

Green steel is essential for compliance with industry standards and certifications. In the Australian construction industry, to obtain green building certifications such as LEED, BREEAM, or Australia's local Green Star, projects must meet strict sustainability standards, including the use of low-carbon building materials. Green steel, due to its recyclability and low-carbon production process, has become a preferred material for meeting these certification requirements. Industry initiatives such as "SteelZero" further encourage companies to commit to using only net-zero emission steel by 2050, which drives downstream customers' demand for green steel.

In addition, green steel enables downstream companies to meet their own ESG goals. Steel is one of the main sources of carbon emissions in the supply chains of many industries, such as automotive, construction, and energy. To achieve their own carbon neutrality, downstream companies must drive the green transformation of their supply chains, and purchasing green steel is a key step.

Given that BlueScope Steel cannot produce such green steel and that suitably equivalent goods are not reasonably available in Australia, these imports are critical to assisting Australia in building a low-carbon emission supply chain. In particular, the exemption on green steel would assist Australia to achieve its goals under the 2035 Nationally Determined Contribution (NDC) under the Paris Agreement, which requires a 62%-70% emissions reduction on 2005 levels by 2035. Without continued access to these products, Australia risks failing to meet its 2035 NDC commitments.

Green steel is expected to be a growing segment of the steel market in Australia, as demonstrated by the development of new dedicated green steel mills. Alter Steel is constructing a low-carbon steel mill at Pinkenba in Brisbane that will utilise electric arc furnace technology to achieve emissions as low as 0.38 tCO₂ per tonne of steel, with first production scheduled for 2027. Similarly, Green Steel of WA is building a mill in Collie, Western Australia, capable of producing rebar with less than 0.37 tCO₂ per tonne using 100% recycled steel and renewable power, with operations planned to commence in 2028.

This growing investment in green steel production is driven in large part by the Australian Government's strong policy push to build Australia's green metals sector under the Future Made in Australia National Interest Framework. Key initiatives include the \$1 billion Green Iron Investment Fund, the \$2 billion Green Aluminium Production Credit, and the Green Metals Innovation Network, all designed to accelerate the decarbonisation of the metals industry and position Australia as a global supplier of low-emissions metals.

Australian industries, particularly in construction and infrastructure sectors, rely on imports for such environmentally advanced materials. These products are critical to assisting Australia in building up a low-carbon emission supply chain in the future, enabling

downstream industries to meet national net-zero ambitions and reduce embodied carbon in buildings and infrastructure.

Further, Baosteel's BeyondECO products are supplied at a substantial price premium of approximately US\$ [REDACTED] per metric tonne over conventional HRC. This premium directly reflects the higher costs associated with the specialised low-carbon production processes, including optimised raw material selection, advanced energy-efficient manufacturing techniques, and rigorous third-party verification and certification. This significant price differential ensures that Australian customers have no commercial incentive to switch from standard HRC to BeyondECO green steel merely to bypass any imposed measures.

Imposing duties would hinder Australia's ability to build a low-carbon supply chain, contradicting national goals for emissions reduction and sustainable development. Downstream users, such as builders and manufacturers, would face increased costs without viable local alternatives, potentially delaying projects and increasing overall environmental impact through reliance on higher-emission substitutes.

Conclusion and request

Baosteel respectfully requests that the Minister exercise the exemption powers under Sections 8(7) and 10(8) of the Dumping Duty Act to exclude the specified HRC products from any imposed interim duties, including:

- HRC in widths and thicknesses outside the scope of local production capabilities (limited, at this stage, to the specific dimensions noted above)
- the low carbon emission HRC (Green Steel - BeyondECO Brand)

This would ensure continued access to innovative, sustainable, and dimensionally specialised steel products that are not reasonably available in Australia, benefiting the economy, environment, downstream industries, and Australia's international climate commitments.

We appreciate the Commission's consideration of this submission and are available for any further discussions or clarifications.

Yours sincerely,

John Bracic