



Australian Government  
Department of Industry,  
Science and Resources

# Anti-Dumping Commission

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*CUSTOMS ACT 1901 - PART XV B*

## **STATEMENT OF ESSENTIAL FACTS NO. 686**

**INQUIRY INTO THE CONTINUATION  
OF ANTI-DUMPING MEASURES ON  
CHROME-PLATED STEEL BAR  
EXPORTED TO AUSTRALIA FROM  
ROMANIA**

**20 March 2026**

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**ABBREVIATIONS**

ABF	Australian Border Force
ABF import database	Australian Border Force import database
the Act	<i>Customs Act 1901</i>
ADN	Anti-Dumping Notice
AIQ	Australian Industry Questionnaire
chrome bar, or 'the goods'	chrome-plated steel bars the subject of the application
CON 568	Continuation inquiry 568
Cromsteel	ASO Cromsteel Industries S.A.
CTMS	cost to make and sell
Dumping Duty Act	<i>Customs Tariff (Anti-Dumping) Act 1975</i>
EPR	electronic public record
FY	financial year
GOR	Government of Romania
IDD	interim dumping duty
inquiry period	1 July 2024 to 30 June 2025
INV 319	Investigation 319
MCC	model control code
Milltech	Milltech Pty Limited
NIP	non-injurious price
REP 319	<i>Anti-Dumping Commission Report No. 319</i>
REP 568	<i>Anti-Dumping Commission Report No. 568</i>
SEF	statement of essential facts
SG&A	selling, general and administrative costs
the commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
the Direction	<i>Customs (Extensions of Time and Non-cooperation) Direction 2015</i>
the Manual	<i>Dumping and Subsidy Manual</i>
the measures	the anti-dumping measures currently applicable to exports of chrome bars to Australia from Romania that are due to expire on 7 September 2026
the Minister	The Minister for Industry and Innovation and the Minister for Science
the notice	Anti-Dumping Notice (ADN) No. 2026/002

# 1 SUMMARY AND RECOMMENDATIONS

## 1.1 Introduction

This statement of essential facts (SEF) concerns an inquiry into whether to continue the anti-dumping measures (the measures) on chrome-plated steel bar (chrome bar or the goods) exported to Australia from Romania.

The measures are in the form of a dumping notice (the notice) and are due to expire on 7 September 2026 (the specified expiry day).<sup>1</sup>

This SEF sets out the facts on which the Commissioner of the Anti-Dumping Commission (the Commissioner) proposes to base their recommendations to the Minister for Industry and Innovation and the Minister for Science (the Minister) subject to any submissions received in response to this SEF.

The Commissioner's final recommendations to the Minister will be contained in a report due by 8 May 2026.<sup>2</sup>

Interested parties should note that the SEF may not represent the final views of the Commissioner. The Commissioner invites interested parties to make submissions in response to the SEF (see section 1.5).

## 1.2 Proposed recommendations

Based on the evidence set out in this report, the Commissioner is preliminarily satisfied that the expiry of the measures on chrome bar exported to Australia from Romania would be likely to lead to a continuation or recurrence of dumping and the material injury that the measures are intended to prevent.

The Commissioner proposes to recommend that the measures remain unaltered.

Table 1 below summarises the anti-dumping measures currently applying to exports of the goods to Australia from Romania.<sup>3</sup>

Country	Exporter	Dumping notice	
		Method	Interim dumping duty (IDD)
Romania	All other Exporters	Ad Valorem	40.7%

Table 1: Current measures applying to exports of the goods

<sup>1</sup> Under section 269TM of the *Customs Act 1901* (Cth) (the Act), a notice expires 5 years after the date of publication, unless revoked earlier.

<sup>2</sup> [Anti-Dumping Notice \(ADN\) No. 2026/002](#). The Commissioner granted an extension of time to issue the final report.

<sup>3</sup> [EPR 568](#), document no. 6.

## **1.3 Background to the inquiry (chapter 2)**

The Commissioner initiated this inquiry on 30 September 2025 and established an inquiry period of 1 July 2024 to 30 June 2025 (the inquiry period).<sup>4</sup>

Milltech Pty Limited (Milltech) is the applicant seeking to continue the measures.<sup>5</sup>

### **1.3.1 Conduct of the inquiry**

The Anti-Dumping Commission (the commission) is assisting the Commissioner to conduct the inquiry, pursuant to the commission's function specified in section 269SMD.

The commission notified interested parties of the initiation of this inquiry in Anti-Dumping Notice (ADN) 2025/097, published on its Electronic Public Record (EPR) on 30 September 2025.

At the initiation of this inquiry, the commission identified an exporter of the goods from Romania in the Australian Border Force (ABF) import database (ABF import database) during the inquiry period. The commission sent questionnaires to ASO H&P S.R.L (ASO). Additionally, the commission placed a copy of the exporter, importer and Australian market questionnaires on the public record and invited market participants to participate in the inquiry. The Government of Romania (GOR) was also invited to provide information by completing a questionnaire.

The commission identified one importer of the goods from Romania during the inquiry period. The commission sent an importer questionnaire and invited the importer to participate in this inquiry. However, the importer did not provide a complete response by the due date of 28 October 2025 and declined the commission's invitation to participate in this inquiry.

The commission did not receive responses to the questionnaires by the due date of 6 November 2025, from ASO nor the GOR.

## **1.4 Summary of key preliminary findings**

The Commissioner's preliminary findings and conclusions in this SEF rely on the information available at this stage of the inquiry. The paragraphs below provide a summary of these findings, which are set out in further detail throughout the SEF.

### **1.4.1 The goods, like goods and the Australian industry (chapter 3)**

The Commissioner finds locally produced chrome bar is 'like' to the goods the subject of the application. The Commissioner is preliminarily satisfied that there is an Australian industry, comprised solely of Milltech, producing those like goods.

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<sup>4</sup> [ADN No. 2025/097](#) on the EPR for case 686.

<sup>5</sup> [EPR 686](#), document no. 1.

#### **1.4.2 Australian market (chapter 4)**

During the five years since the measures were last continued, the Australian chrome bar market has been supplied by Milltech, imports from France, Italy, Netherlands, Sweden and Taiwan and a small volume from other countries. The commission notes that only imports of the goods from Romania are subject to dumping duties. The commission identified one consignment of the goods from Romania during the inquiry period. In Australia, chrome bar is mostly used in the hydraulics sector, and demand is linked to the mining, construction, and agricultural industries.

The Australian market size has varied from year to year, and although the market size has increased after the imposition of measures in 2016, the overall market size has remained relatively stable.

Chrome bar is a commodity product and provided the goods meet the grade requirements for the desired end use, there are limited ways in which suppliers can differentiate their offering beyond price and service.

#### **1.4.3 Economic condition of the Australian industry (chapter 5)**

The Commissioner assessed the economic condition of the Australian industry from 1 October 2014 to 30 June 2024, the end of the current inquiry period, to analyse trends in the market for chrome bar and to assess potential injury factors. The Commissioner has preliminarily found that since the imposition of measures in 2016 the Australian industry has:

- increased its sales volume
- remained profitable, despite fluctuations year-on-year, and
- increased its market share overall.

#### **1.4.4 Likelihood of dumping and material injury continuing or recurring (chapter 6)**

Under section 269ZHF(2) the Commissioner must not recommend that the Minister take steps to secure the continuation of measures unless they are satisfied that the expiration of the measures would lead, or would 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.

The Commissioner's preliminary finding is that the expiry of the measures would lead, or would be likely to lead, to a continuation of the dumping and a recurrence of the material injury that the measures are intended to prevent. The Commissioner has reached this view based on the preliminary findings that:

- Romanian exporters will likely continue exporting the goods (section 6.5)
- Romanian exports will likely continue to be dumped (section 6.6)
- dumping is likely to lead to a recurrence of material injury that the measures are intended to prevent (section 6.7)

##### *Likelihood of future exports (section 6.5)*

The commission considers that, should the measures expire, exports from Romania are likely to resume.

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This preliminary finding is based on the following significant factors:

- exporters have changed their behaviour in response to measures being applied
- exporters have maintained or can easily establish distribution links to the Australian market
- trade measures in other jurisdictions make Australia a more attractive export market for exporters from the subject country in the absence of measures
- Australia would likely be an attractive export market for Romanian chrome bar, given the price sensitivity of the Australian market
- exporters from Romania continue to export goods that are marginally outside the goods description (i.e. chrome bar that is over 8 metres in length).

### *Likelihood of dumping (section 6.6)*

The commission considers that the expiry of the measures would be likely to lead to a recurrence of dumping of chrome bar from Romania.

This preliminary finding is based on the following significant factors:

- the goods were assessed to likely have been dumped if they were exported during the inquiry period
- the goods were dumped in the original investigation, and the period examined in subsequent reviews
- the price sensitive nature of the Australian chrome bar market promotes a high level of competition between exports
- Romanian exporters or other interested parties have not cooperated with this inquiry, have not sought a review or revocation of the measures since the measures were imposed, nor have they made applications for duty assessments.

### *Likelihood of material injury (section 6.7)*

The commission considers that the expiry of the measures would be likely to lead to a continuation of or a recurrence of material injury that the measures are intended to prevent.

This preliminary finding is based on the following significant factors:

- dumped exports from Romania would likely reduce the Australian industry's sales volumes
- dumped exports from Romania would likely suppress or depress the Australian industry's prices as:
  - the Australian industry has considerable regard to import prices when negotiating prices
  - the expiry of measures would provide exporters from Romania with a price advantage in a price-sensitive market
  - a reduction in import prices as exporters seek to compete in a market absent of measures would place downwards pressures on the Australian industry's prices.

## PUBLIC RECORD

### 1.4.5 Variable factors (chapter 7)

The Commissioner is not recommending a change to the variable factors relevant to this notice as part of this inquiry. There is no requirement for the Commissioner to recommend that the Minister change the variable factors in a continuation inquiry. This is not affected by the fact that the exporter exported the goods during the inquiry period, or the fact that the commission assessed dumping for some exporters as part of the inquiry.

### 1.5 Responding to this SEF

The SEF may not represent the Commissioner's final views. The commission invites interested parties to make written submissions in response to this SEF for the Commissioner's consideration.

Interested parties who wish to make written submissions in response to this SEF must do so no later than **9 April 2026**, which is within 20 days after the SEF being placed on the public record.<sup>6</sup>

The Commissioner is not obliged to have regard to any submission made in response to the SEF received after this date if to do so would, in the opinion of the Commissioner, prevent the timely preparation of the report to the Minister.<sup>7</sup>

Submissions may be lodged by email to [investigations1@adcommission.gov.au](mailto:investigations1@adcommission.gov.au).

Alternatively, interested parties may post submissions to:

Director, Investigations 1  
Anti-Dumping Commission  
GPO Box 2013  
CANBERRA ACT 2601  
AUSTRALIA

Confidential submissions must be clearly marked as 'OFFICIAL: Sensitive'. A non-confidential version of the submission, marked 'PUBLIC RECORD', is required for the public record. A guide for making submissions is available on the commission's website.<sup>8</sup>

The electronic public record (EPR) contains non-confidential submissions from interested parties, non-confidential versions of the commission's verification reports and other publicly available documents.

Interested parties should read this SEF in conjunction with other documents on the EPR.

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<sup>6</sup> Section 269ZHE(3).

<sup>7</sup> Section 269ZHE(4).

<sup>8</sup> A guide for making submissions is available [here](#).

## **1.6 Final report to the Minister**

The Commissioner must report to the Minister by no later than 8 May 2026.<sup>9</sup> The final report will contain the Commissioner's final recommendations about the continuation of the measures.

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<sup>9</sup> [EPR 686](#), document no. 4. Extension of time to publish the SEF and Final Report.

## 2 BACKGROUND

### 2.1 Legislative framework

The procedures to be followed by the Commissioner in an application for the continuation of anti-dumping measures and preparing a report for the Minister are set out in Division 6A of Part XVB of the *Customs Act 1901*.

#### 2.1.1 Legislative test

Under section 269ZHF(2), the Commissioner must not recommend that the Minister take steps to secure the continuation of the anti-dumping measures unless the Commissioner is satisfied that the expiration of the anti-dumping measures would lead, or would be likely to lead, to a continuation of, or a recurrence of, the dumping and the material injury that the anti-dumping measure is intended to prevent.

#### 2.1.2 Statement of essential facts

Section 269ZHE(1) requires the Commissioner to publish a statement of the facts on which they propose to base their recommendations to the Minister about the continuation of the measures. This is referred to as the SEF.

Section 269ZHE(2) requires the Commissioner, in formulating the SEF, to have regard to the application and any submissions received within 37 days of the initiation of the inquiry. Under section 269ZHE(3), the Commissioner is not obliged to have regard to any submissions relating generally to the inquiry that are received by the Commissioner after the 37 days if to do so would, in the Commissioner's opinion, prevent the timely placement of this SEF on the EPR.

The Commissioner may also have regard to any other matters they consider relevant.

#### 2.1.3 Final report

Section 269ZHF(1) requires the Commissioner, after conducting an inquiry, to give the Minister a report which recommends that the relevant notice:

- remain unaltered
- cease to apply to a particular exporter or to a particular kind of goods
- have effect in relation to a particular exporter or to exporters generally as if different variable factors had been ascertained, or
- expire on the specified expiry day.

## 2.2 Application and initiation

On 7 July 2025, the Commissioner published a notice<sup>10</sup> on the commission's website inviting the following persons to apply for the continuation of the measures:

- the person whose application under section 269TB resulted in the measures,<sup>11</sup> or
- persons representing the whole or a portion of the Australian industry producing like goods to the goods covered by the measures.<sup>12</sup>

On 5 September 2025, Milltech lodged an application for the continuation of the measures on the goods exported to Australia from Romania.<sup>13</sup>

The Commissioner was satisfied that:

- the application complied with section 269ZHC (content and lodgement requirements),<sup>14</sup> and
- there appeared to be reasonable grounds for asserting that the expiry of the measures might lead, or might be likely to lead, to a continuation of, or a recurrence of, the material injury that the measures are intended to prevent.<sup>15</sup>

The Commissioner therefore decided not to reject the application and published ADN No 2025/097 initiating the present inquiry on 30 September 2025.<sup>16</sup>

## 2.3 Current anti-dumping measures

The measures were initially imposed by public notice on 7 September 2016<sup>17</sup> by the relevant Minister following the original investigation (Investigation 319). The findings of the original investigation are detailed in *Anti-Dumping Commission Report No 319* (REP 319).<sup>18</sup>

On 19 August 2021, the then Minister for Industry, Science and Technology, after consideration of *Anti-Dumping Commission Report No 568* (REP 568)<sup>19</sup>, accepted the Commissioner's recommendation to continue the measures for a further 5 years.

Table 1 below summarises the anti-dumping measures currently applying to exports of the goods to Australia from Romania.<sup>20</sup>

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<sup>10</sup> In accordance with section 269ZHB(1).

<sup>11</sup> Section 269ZHB(1)(b)(i).

<sup>12</sup> Section 269ZHB(1)(b)(ii).

<sup>13</sup> Under section 269ZHC. A non-confidential version of the application is available on EPR.

<sup>14</sup> Section 269ZHD(2)(a).

<sup>15</sup> Section 269ZHD(2)(b).

<sup>16</sup> [EPR 686](#), document no. 2.

<sup>17</sup> [ADN No. 2016-079](#) refers.

<sup>18</sup> [EPR 319](#), document no. 38.

<sup>19</sup> [EPR 568](#), document no. 6.

<sup>20</sup> [EPR 568](#), document no. 6.

## PUBLIC RECORD

Country	Exporter	Dumping notice	
		Method	Interim dumping duty (IDD)
Romania	All other exporters	Ad Valorem	40.7%

**Table 1: Current measures applying to exports of the goods**

Further detail about these measures can be found on the Dumping Commodity Register (DCR) on the commission's website.<sup>21</sup>

### 2.3.1 Other cases

The commission has conducted numerous cases relating to chrome bar. Details relating to these cases, including the imposition of measures are summarised in Table 2 below. Further information is available on the commission's website.

Case type and number	ADN number	Date ADN Published	Country of export	Findings
Investigation 319	<a href="#">2016/079</a>	7 September 2016	Romania	Dumping duties imposed
Continuation 568	<a href="#">2021/098</a>	25 August 2021	Romania	Dumping duties continued

**Table 2: Other cases relating to the goods**

## 2.4 Conduct of the inquiry

The inquiry period for this continuation is 1 July 2024 to 30 June 2025. The commission invited exporters, importers and market participants of chrome bar to provide information relevant to this period. To analyse the performance of the Australian industry in the years before and after measures were imposed, the commission has examined the period from 2011.

### 2.4.1 Questionnaires and verification

#### Australian industry

The Commissioner is satisfied that Milltech is the sole member of the Australian industry producing like goods to the goods the subject of this inquiry.<sup>22</sup> Milltech manufactures chrome bar at its facilities in Tomago, NSW and Laverton, VIC.

At initiation of this inquiry, the Milltech was sent an Australian Industry Questionnaire (AIQ). On 17 October 2025, the commission received a complete response to the AIQ from Milltech. A non-confidential version of the AIQ is on the public record.<sup>23</sup>

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<sup>21</sup> The DCR is available [here](#).

<sup>22</sup> See chapter 3.

<sup>23</sup> [EPR 686](#), document no. 3.

## PUBLIC RECORD

The questionnaire contained information and data about the Australian industry member in relation to:

- company structure, ownership and financial information, including income tax returns and trial balances
- detailed transaction-by-transaction domestic sales data for the inquiry period
- cost to make and sell data for like goods produced
- selling, general and administrative (SG&A) expenses incurred; and
- information on the Australian market for chrome bar.

The commission held virtual meetings with Milltech on 10 February 2026 and 12 February 2026 to ensure the information supplied by Milltech was complete and relevant and gather further information on the Australian chrome bar market.

The commission gathered information and evidence from Milltech on:

- market structure
- market demand and outlook
- pricing competition
- the importation of similar non-like goods and
- circumvention through third countries.

The commission also verified data submitted in Milltech's RIQ, including:

- domestic sales listings for completeness and relevance by reconciling selected revenue and quantity in sales listings up to management accounts and audited financial statements
- domestic sales listings for accuracy by reconciling a selection of volume, revenue and other data down to source documents
- Cost to make and sell (CTMS) listings for accuracy by reconciling a selection of volume, cost and other data down to source documents.

The commission is satisfied as to the accuracy, relevance and completeness of the data, upon which the preliminary findings of this continuation inquiry are based; and that the information is accurate and reliable for the purposes of this inquiry.

During the meeting, Milltech raised imports of chrome bar from Romania at lengths that are outside the goods description in the ADN imposing measures (i.e. beyond 8-metres in length). Milltech indicated to the commission its intention to lodge an anti-circumvention application in relation to these goods.

### Importers

The commission examined the ABF import database and identified two exports of what appeared to be the goods exported from Romania during the inquiry period. The commission contacted the relevant importers and invited both to participate in the inquiry.

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One importer subsequently advised that the relevant consignment had been incorrectly declared, providing documentation to substantiate its claims. The commission was satisfied that the evidence showed that the consignment did not include goods the subject of this inquiry. The second importer declined the commission's invitation to participate in the inquiry.

A copy of the importer questionnaire was also placed on the EPR.

### Exporters<sup>24</sup>

The commission identified two entities from Romania in the ABF import database that were listed exporters of the goods and sent them exporter questionnaires. The commission also sent questionnaires to the two exporters identified in the original investigation. The questionnaire contains information about the consequences of not responding to the exporter questionnaire, including that the exporter may be deemed uncooperative and that the uncooperative exporter rates may be determined with regard to all relevant information. The commission did not receive any response to the exporter questionnaire (REQ) from any exporter of the goods from Romania.

The Commissioner considers all exporters from Romania are uncooperative exporters for the purpose of this inquiry.

Section 269T(1) states that an exporter is an 'uncooperative exporter' where the Commissioner is satisfied that an exporter of goods the subject of the inquiry did not give the Commissioner information the Commissioner considered to be relevant to the continuation inquiry within a period the Commissioner considered to be reasonable, or where the Commissioner is satisfied that an exporter significantly impeded the inquiry.

The *Customs (Extensions of Time and Non-cooperation) Direction 2015* (the Direction) states at section 8 that the Commissioner must determine an exporter to be an uncooperative exporter, on the basis that no relevant information was provided in a reasonable period, if that exporter fails to provide a response or fails to request a longer period to do so within a specified timeframe, or provides a response that the Commissioner considers did not provide information relevant to the case.

### Government of Romania

On 30 September 2025, the commission wrote to the GOR advising of the initiation of this inquiry. The commission did not receive a response to this questionnaire from the GOR.

#### **2.4.2 Submissions**

The commission has not received any submissions from interested parties prior to publishing this SEF.

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<sup>24</sup> 'Cooperative exporter' is defined in section 269T(1).

### 3 THE GOODS, LIKE GOODS AND THE AUSTRALIAN INDUSTRY

#### 3.1 Preliminary finding

The Commissioner finds that:

- locally manufactured goods are 'like' to the goods subject to the measures
- there is an Australian industry, of which Milltech is the sole producer of like goods; and
- the like goods are wholly manufactured in Australia.

#### 3.2 Legislative framework

To be satisfied that the expiration of the measures would lead, or would be likely to lead, to a continuation or recurrence of dumping and the material injury that the measure is intended to prevent, the Commissioner firstly determines whether the goods produced by the Australian industry are 'like' to the imported 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 respects to the goods under consideration, have characteristics closely resembling those of the goods under consideration.

The definition of like goods is relevant in the context of this inquiry in determining the Australian industry and whether the expiry of the measures would lead to a continuation of, or a recurrence of, the dumping and material injury that the measures are intended to prevent. The commission's framework for assessing like goods is outlined in chapter 2 of the *Dumping and Subsidy Manual* (the Manual).<sup>25</sup>

Where the locally produced goods and the imported goods are not alike in all respects, the Commissioner assesses whether the respective goods have characteristics closely resembling each other. The Commissioner considers:

- physical likeness
- commercial likeness
- functional likeness, and
- production likeness.

The Commissioner must also consider whether the Australian industry manufactures 'like' goods in Australia. Section 269T(2) specifies that for goods to be regarded as being produced in Australia, they must be either wholly or partly manufactured in Australia. Under section 269T(3), to be considered as partly manufactured in Australia, at least one substantial process in the manufacture of the goods must be carried out in Australia.

The following analysis therefore establishes the scope of the commission's inquiry.

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<sup>25</sup> Available [here](#) on the commission's website.

### 3.3 The goods subject to the measures

ADN No. 2025/097 defined the goods under consideration as follows:<sup>26</sup>

Chromium plated circular solid steel bars (chrome bars) that have all of the following characteristics:

- circular cross section;
- made from alloy or non-alloy steel bar;
- chrome plating of any thickness;
- lengths not greater than 8 metres; and
- diameters in the range 18 mm to 170 mm.

Minimal prior or subsequent processing such as cutting, drilling or painting does not exclude chrome bars in the dimensions described above from coverage of the application.

The goods include:

- chrome bars manufactured using steel bars that are quenched and tempered, otherwise heat treated or induction hardened; and
- chrome bars manufactured using the following grades of steel bars (and any equivalent or materially similar international grades):
  - SAE/AISI 1045; and
  - SAE/AISI 4140

The following are excluded from measures, exemption type “GOODS” applies:

- Chromium plated steel bar with oval or flattened circle cross sections; and hollow or tubular chrome plated bar

#### 3.3.1 Tariff classification

The goods are generally classified according to the following tariff subheadings (Table 3) in Schedule 3 to the *Customs Tariff Act 1995*:<sup>27</sup>

Tariff Subheading	Statistical Code	Description
7215		OTHER BARS AND RODS OF IRON OR NON-ALLOY STEEL:
7215.50		- Other, not further worked than cold-formed or cold-finished:
7215.50.90	54	--- Other
7215.90.00	55	- Other

<sup>26</sup> [EPR 686](#), document no 2.

<sup>27</sup> 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.

**PUBLIC RECORD**

7228	OTHER BARS AND RODS OF OTHER ALLOY STEEL; ANGLES, SHAPES AND SECTIONS, OF OTHER ALLOY STEEL; HOLLOW DRILL BARS AND RODS, OF ALLOY OR NON-ALLOY STEEL:	
7228.30	- Other bars and rods, not further worked than hot-rolled, hot-drawn or extruded:	
7228.30.10	70	--- Goods, as follows: a. of high alloy steel; b. "flattened circles" and "modified rectangles" as defined in Note 1(m) to Chapter 72
7228.50.00	54	- Other bars and rods, not further worked than cold-formed or cold-finished
7228.60	- Other bars and rods:	
7228.60.10	72	--- Goods, as follows: a. of high alloy steel; b. "flattened circles" and "modified rectangles" as defined in Note 1(m) to Chapter 72
7228.60.90	55	--- Other

**Table 3: Tariff classification of the goods**

### 3.4 Model control codes

The proposed model control code (MCC) structure described in ADN No 2025/097 (and in Table 4) describes the key characteristics of the goods.

Item	Category	Subcategory	Identifier	Sales data	Cost data
1	Steel Grade	Carbon steel	C	Mandatory	Mandatory
		Alloy steel	A		
2	Chrome thickness	Expressed in microns (e.g. "25")	#	Mandatory	Mandatory
3	Hardening	None	N	Mandatory	Mandatory
		Induction	I		
4	Corrosion resistance	Expressed in hours (e.g. "200")	#	Mandatory	Mandatory
5	Diameter	Expressed in millimetres (e.g. "50")	#	Mandatory	Mandatory

**Table 4: MCC structure**

### 3.5 Like goods

The Commissioner is satisfied that the domestically produced goods (see section 3.6) are like to the goods under consideration<sup>28</sup> because the following characteristics of each closely resemble each other:

- physical likeness
- commercial likeness
- functional likeness, and

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<sup>28</sup> As defined in section 269T(1).

- production likeness.

In so finding, the commission has relied on Milltech's application, verification of the Australian industry, the findings of the previous inquiries and publicly available information.

### **3.5.1 Physical likeness**

The commission considers the locally produced chrome bar is physically like the goods subject to the measures.

The primary physical characteristics of the locally produced chrome bar are similar to the chrome bar exported from Romania, notwithstanding variations in the technical specifications of those goods such as differences in chrome thickness, diameter and length.<sup>29</sup>

### **3.5.2 Commercial likeness**

The commission considers the locally produced goods to be commercially like to the goods the subject of the measures.

In the Australian market, chrome bar that Milltech produces competes directly and indirectly with chrome bar imported from the subject countries. Milltech and importers sell chrome bar to common customers and on similar commercial terms or conditions.

The goods and locally produced goods compete in the same market sector, are interchangeable and use similar distribution channels. Chrome bar is sold and distributed across Australia, sourced either from Milltech or imports and is typically sold as an intermediate good by Milltech to distributors, who sell to end users that manufacture hydraulic cylinders, machinery or machine components.

### **3.5.3 Functional likeness**

The commission considers that the locally produced goods and the goods under consideration perform the same function and are used in the same end-use applications.

The chrome bar that Milltech produces is highly interchangeable or substitutable with the goods the subject of measures, given that both goods are sold to the same customers and for identical or comparable end uses.

Based on prior cases, including associated verification visits, the commission is satisfied that imported chrome bar and locally produced chrome bar are both used for the same end uses.<sup>30</sup>

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<sup>29</sup> [EPR 319](#), document no. 38 (*Anti-Dumping Commission Report no 319*).

<sup>30</sup> [EPR 319](#), document no. 38.

### 3.5.4 Production likeness

The commission considers that the locally produced goods and the goods the subject of the measures are produced using similar production processes and similar raw material inputs to the goods the subject of the measures.

The commission is satisfied that there have been no substantive changes to Milltech's manufacturing processes in the period between *Continuation Inquiry 568* (CON 568) and this inquiry.

## 3.6 Australian industry

Milltech was recognised as the sole manufacturer of chrome bar in the original investigation. The commission has no evidence to suggest that there are other manufacturers of like goods in Australia, and no other parties have made submissions claiming the existence of other industry members. The commission therefore considers that Milltech is the sole manufacturer of chrome bar in Australia.

### 3.6.1 Production process

Milltech produces chrome bars at its production facility in Laverton, Victoria and manufactures other processed steel bar products at two production facilities located in Tomago and Hexham in New South Wales. Milltech manufactures chrome bar using black steel and chromic acid that are primarily imported from overseas sources.

The production process to produce chrome bars, as observed during the virtual verification in CON 568, is as follows:

- **Production of bright bars by cold drawing:** Black steel is further processed into bright bars via cold drawing through a die to increase yield and tensile strength. This can be undertaken at all three of Milltech's production facilities. The ends of the bars are cut and these scraps are sold.
- **Hardening:** Bright bars may be hardened by:
  - quench and tempering at the Tomago facility; or
  - induction hardening at the Laverton facility.
- **Peeling:** Removal of surface defects prior to precision grinding. This can be undertaken at the Laverton or Hexham facilities.
- **Precision grinding:** Bright bars are precision ground to achieve a very fine surface finish and size tolerance using specialised computer-controlled machines. This is undertaken at the Laverton facility.
- **Polishing (linishing):** Bright bars are polished to achieve a smooth finish. This is undertaken at the Laverton facility.
- **Chrome plating:** Bright bars are advanced and rotated through a continuous chrome plating line using copper rollers that rotate the bar via currents in the chromic acid solution. This process is undertaken in Laverton.
- **Final polishing (linishing):** Chrome bars receive a final polish by a linishing machine to achieve the final size and surface finish required.
- **Finished goods:** The polished chrome bar represents the finished good, prior to packaging, storage in the warehouse on racking, and despatch.
- **Scrap:** Scrap is produced during the peeling and grinding stages. All steel scrap is sold.

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- **Packaging:** Finished goods are individually wrapped in cardboard tubes and bundled with flute wrapping. Depending on customer requirements, the chrome bar may be oiled for protection prior to packing.
- **Despatch:** Milltech arranges for despatch from the warehouse to the customer's location.

The commission is satisfied that there have been no substantive changes to the Australian industry's manufacturing processes in the period between CON 568 and this inquiry.

### 3.6.2 Conclusion – Australian industry

Based on the commission's analysis, the Commissioner is satisfied that:

- chrome bar manufactured by Milltech is like to the goods the subject of the measures<sup>31</sup>
- at least one substantial process of manufacture of chrome bar is carried out in Australia<sup>32</sup>
- the like goods were, therefore, wholly or partly manufactured in Australia by Milltech<sup>33</sup>
- there is an Australian industry, consisting of Milltech which produces like goods in Australia.<sup>34</sup>

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<sup>31</sup> Section 269T(1) (definition of 'like goods').

<sup>32</sup> Section 269T(3).

<sup>33</sup> Section 269T(2).

<sup>34</sup> Section 269T(4).

## 4 AUSTRALIAN MARKET

### 4.1 Preliminary finding

The Commissioner has found that since the measures were continued in 2021:

- the market for chrome bar was supplied by the Australian industry and imported goods, predominantly from France, Italy, Netherlands, Sweden, Taiwan and a small volume from other countries, including Romania
- the market for chrome bar is highly price sensitive and
- the market size for chrome bar has been broadly stable, despite year-on-year fluctuations.

### 4.2 Approach to analysis

The analysis in this chapter is based on verified financial information submitted by Milltech, data captured in the ABF import database and information obtained in REP 319 and REP 568. As there was no cooperation from Romanian exporters during this inquiry period, the commission did not have access to verified exporter data from the current inquiry period.

The commission has examined data from FY 2012 for the purpose of analysing trends in the Australian market for chrome bar and for making observations with respect to the economic condition of the Australian market since the imposition of measures in 2016.

The commission's market analysis is at **Confidential Attachment 1**.

### 4.3 Market characteristics

#### 4.3.1 Market structure

The market for chrome bar in Australia is driven by three main segments:

- mining
- agriculture and
- construction.

The Australian chrome bar market comprises a single Australian producer, exporters, importers and distributors. Chrome bar is typically sold as an intermediate good used in the manufacturing or servicing of hydraulic cylinders, machinery or machine components. Local production of chrome bar is supplemented by imports, with distributors and end-users importing the goods from a range of countries.

#### 4.3.2 Distribution

Milltech sells chrome bar primarily to steel distributors. These distributors may also purchase imported chrome bar to sell to end-users. End-users use the chrome bar in the manufacture of hydraulic cylinders, machinery and machinery components. Importers of chrome bar are usually distributors and generally sell to end-users. Milltech also sells the goods to original equipment manufacturers for hydraulic manufacturing, repairs and maintenance.

#### 4.4 Market competition

Milltech competes in the Australian chrome bar market against imports mainly from European exporters including from, France, Italy, Netherlands and Sweden, Taiwan and small volumes from Romania and other countries. The majority of chrome bar is purchased primarily by steel distributors.

#### 4.5 Market size

The commission has estimated the size of the Australian market using Milltech’s verified sales volumes and import data from the ABF import database. Milltech asserted during the industry verification that demand in the market has been relatively stable since the imposition of the measures.

The commission notes that the size of the Australian market for chrome bar has varied from year to year. Figure 1 below shows that although the Australian market size increased after the imposition of measures in 2016, the overall market has remained relatively stable, albeit with year-on-year fluctuations.

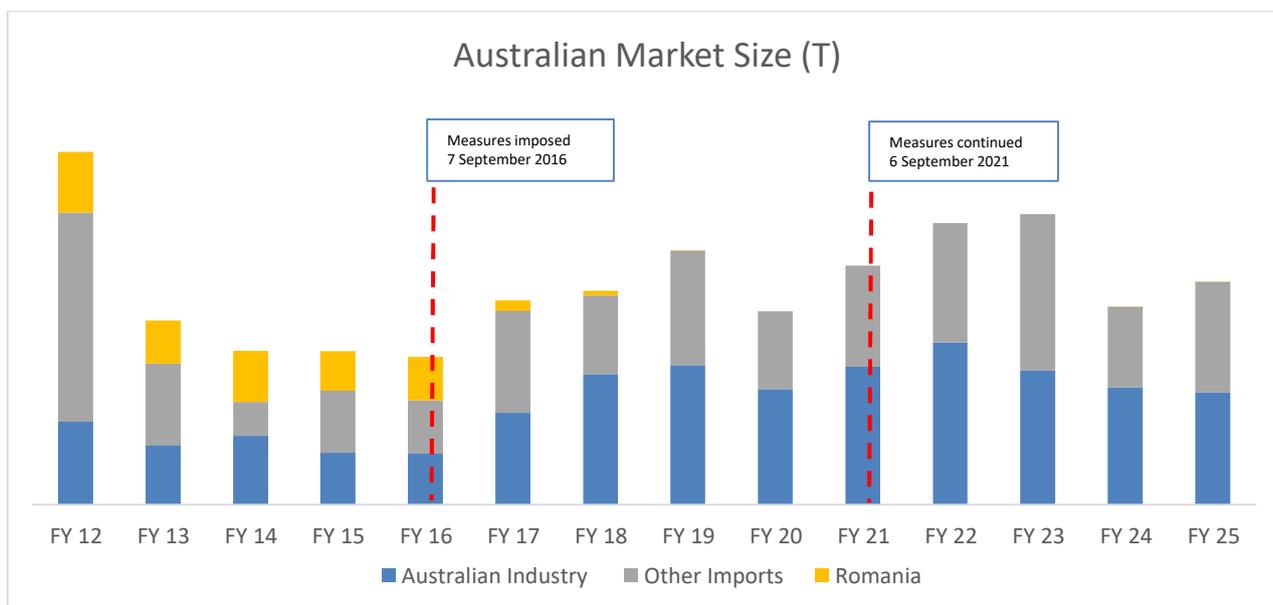


Figure 1: Australian market size (tonnes)

#### 4.6 Market pricing

Chrome bar is a commodity product provided the goods meet the relevant Australian Standard and the grade requirements for the desired end use. It is easily substitutable between different suppliers whether domestic or international, and therefore price is a primary consideration for customers purchasing chrome bar, along with quality of the product and service. In its application<sup>35</sup> and questionnaire<sup>36</sup>, Milltech has stated that it reviews raw material pricing, alongside supply and demand factors when setting prices.

<sup>35</sup> EPR 686, document no 1.

<sup>36</sup> EPR 686, document no 3.

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Milltech claims that the predominant demand driver of chrome bar is price and Australian customers are able to readily change supplier. Milltech indicated that its customers rely on import price offers to negotiate prices. The price of chrome bar in the market is driven by the price of the steel feed, which is influenced by production and demand in the global markets.

### 4.7 Drivers of demand in the Australian market

The Australian market for chrome bar is supplied by the Australian industry and imported goods. Demand for chrome bar is largely dependent on demand from hydraulic cylinder businesses across a range of industries including mining, agriculture and construction.

#### 4.7.1 Demand outlook

To better understand the demand outlook of chrome bar, the commission undertook desktop research to examine trends in the mining, agriculture and construction customer segments.

Figure 2 indicates the annual growth rate of private capital expenditure on machinery and equipment in all industries. Machinery and equipment include construction equipment (excavators, backhoes), cranes, drills and other equipment that incorporates chrome bar, and therefore the commission considers this a good proxy to indicate demand for the goods in the construction sector.

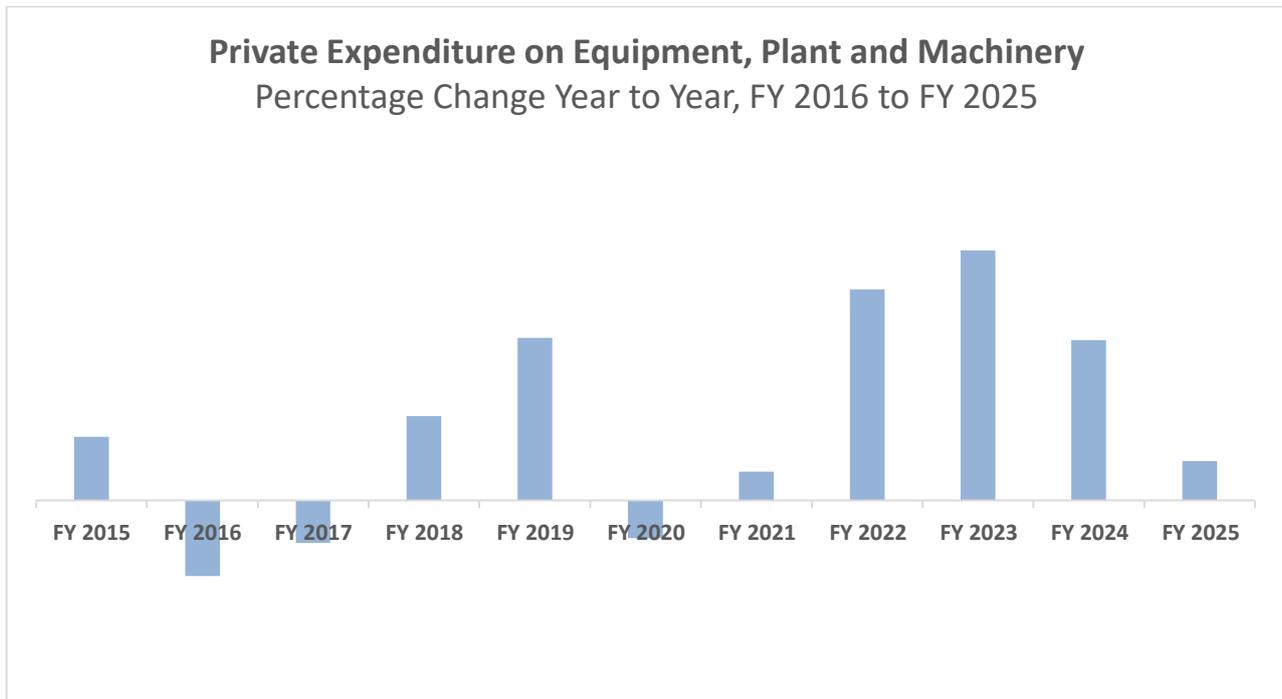


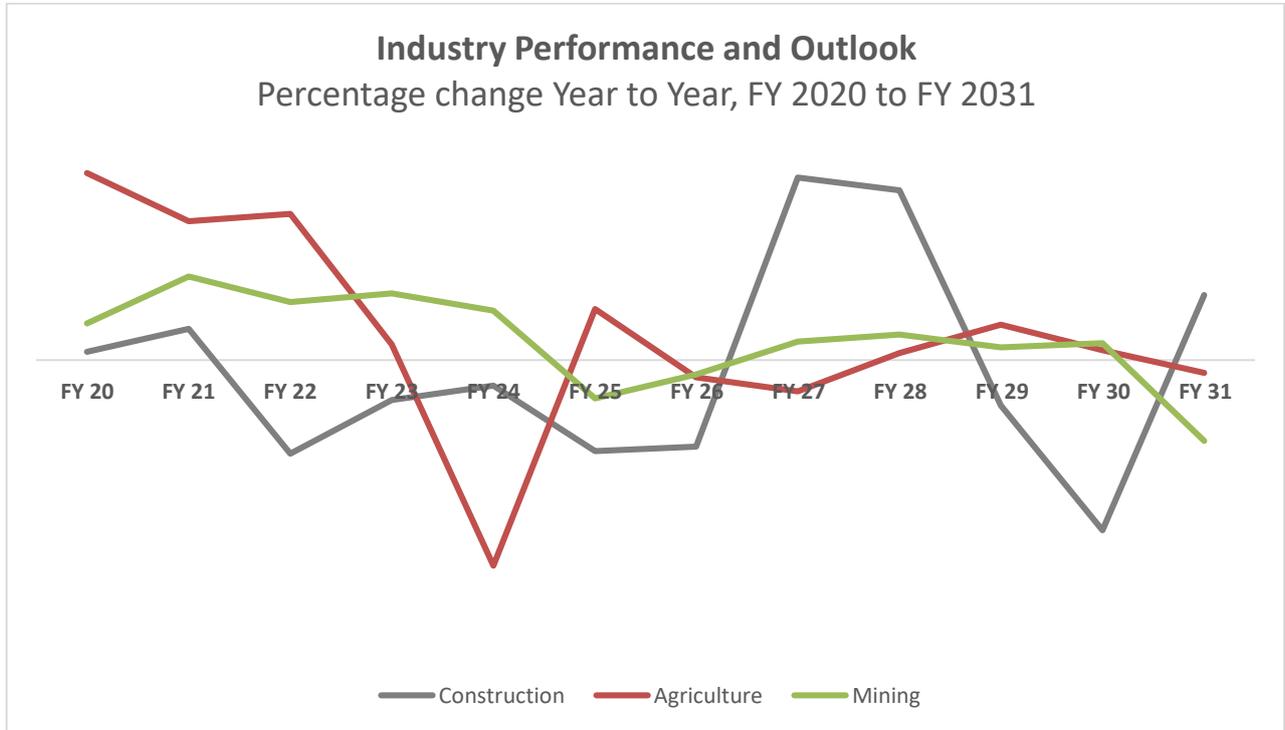
Figure 2: Private capital expenditure on machinery and equipment – all industries in Australia<sup>37</sup>

<sup>37</sup> Australian Bureau of Statistics, 5625.0 *Private New Capital Expenditure and Expected Expenditure, Australia*, Table 9 (Confidential Attachment 1 refers).

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The commission considers there is a broad correlation between the increasing levels of investment in machinery and equipment in the 2022 and 2023 financial years and the expansion of the chrome bar market over a similar period. As market equipment expenditure declined in FY 2024-25, the Australian market for chrome bar retracted.

Figure 3 indicates that the main industries using hydraulic machinery will likely experience growth over most of the next five years, suggesting ongoing demand for chrome bar.



**Figure 3: Industry performance and outlook per financial year (FY) ending 31 December<sup>38</sup>**

<sup>38</sup> IBISWorld Industry Outlook documents F3411, C2461 and F3419 refer: [www.ibisworld.com](http://www.ibisworld.com).

## 5 ECONOMIC CONDITION OF THE AUSTRALIAN INDUSTRY

### 5.1 Preliminary finding

The Commissioner preliminarily finds that the Milltech's market share increased following imposition of the measures in 2016, and that this has remained largely stable in the subsequent years. A more recent spike in price and profits during the financial years (FY) of 2022 and 2023 appears to have been caused by disruption to markets arising from Covid-19 and began to resolve to lower levels in the year FY 2023-24.

### 5.2 Background

As discussed in section 2.3, anti-dumping measures, in the form of a dumping duty notice, were first applied to the goods exported to Australia from Romania on 7 September 2016. The measures were continued for a further 5 years in September 2021 after the completion of CON 568.

An assessment as to whether measures should be continued involves a consideration of future outcomes based on an evaluation of the present position. To assist with that assessment, this chapter considers the economic condition of the Australian industry from 1 July 2021 and an assessment prior to 1 July 2021 is outlined in REP 568.

### 5.3 Approach to analysis

This chapter considers the economic condition of the Australian industry since the measures were imposed in 2016. This examination provides the basis for the commission's analysis in chapter 6 of whether material injury is likely to continue or recur.

The analysis detailed in this chapter is based on verified financial information submitted by the Australian industry in this inquiry, and data from the ABF import database. The commission has also combined Milltech's verified data from this inquiry with previously verified data used in REP 568 and REP 319, to assess Milltech's claims in relation to the continuation or recurrence of injury.

The commission's analysis is contained in **Confidential Attachment 2** and is summarised below.

### 5.4 Findings in the original investigation

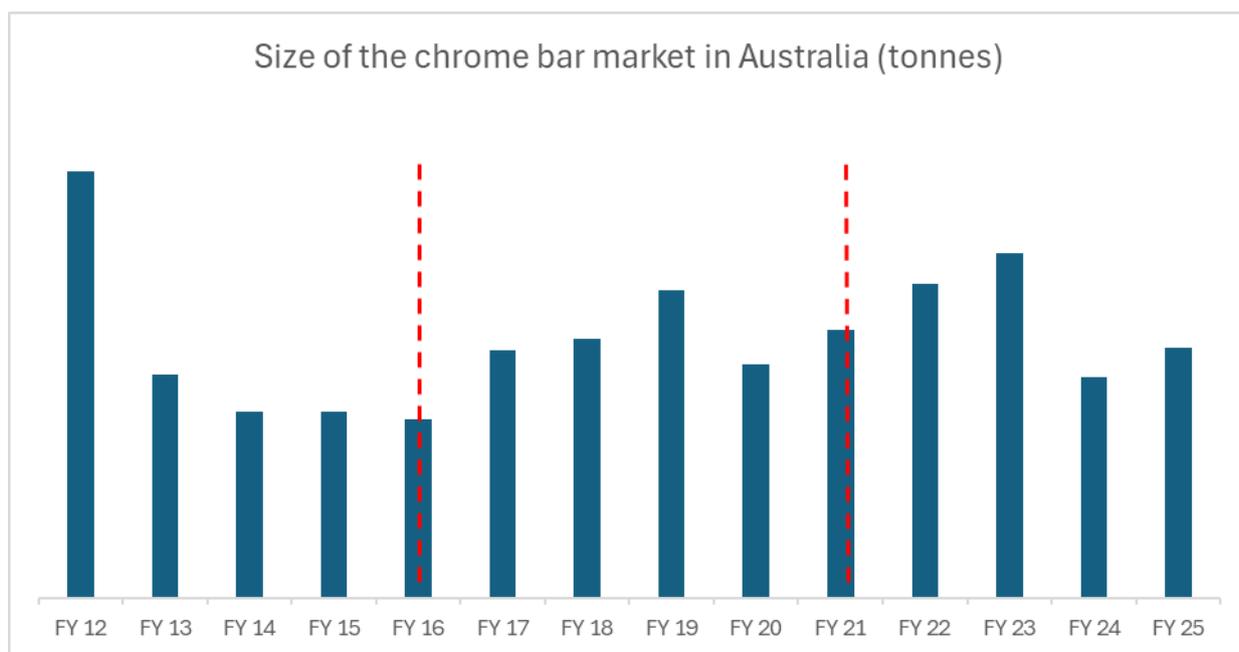
In INV 319 the Commissioner found that during the relevant investigation period the Australian industry had experienced injury in the form of:

- price depression
- price suppression
- reduced sales volume
- reduced profits
- reduced profitability
- reduced revenue
- reduced capacity utilisation and
- reduced employment

## 5.5 Volume effects

### 5.5.1 Sales volume

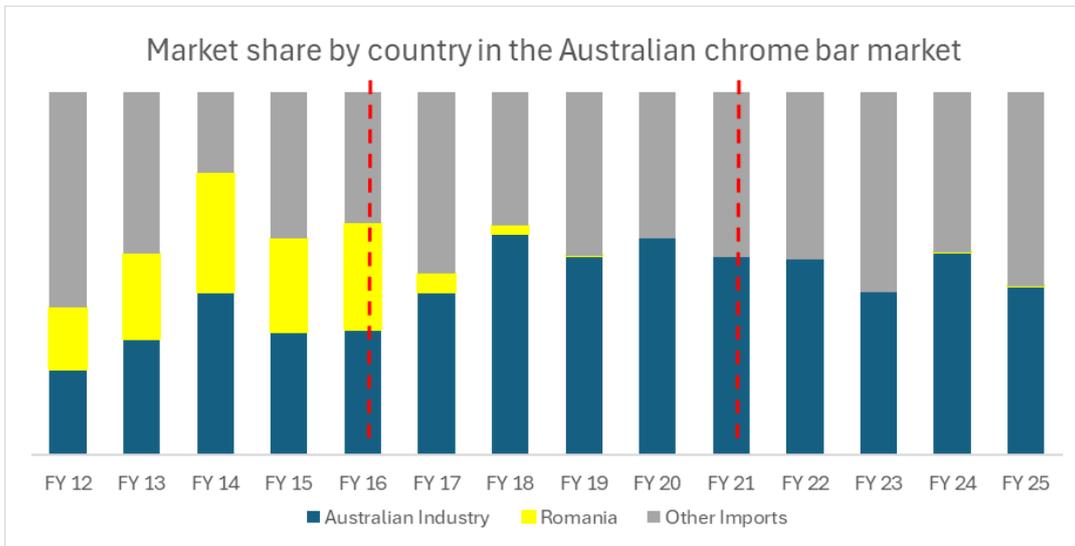
As demonstrated in Figure 4 below, since the measures were imposed in 2016, domestic sales of chrome bar have increased significantly, coinciding with a reduction in the volume of imports from Romania. Sale volumes continued to be strong in the years following. A reduction in volume from FY 2023 coincides with a reduction in the overall market size following a peak during the FY 2022.



**Figure 4: Milltech domestic sales volume of chrome bar since 2012**  
*(red lines depict the imposition and continuation of measures in 2016 and 2021, respectively)*

### 5.5.2 Market share

Australian industry market share is shown below in Figure 5. Coinciding with an increase in sales volume, the Australian industry gained significant market share following the imposition of measures on 7 September 2016. The Australian industry's market share has remained relatively stable in the following years since the imposition of measures, albeit with year-on-year fluctuations. Export volumes from Romania show a sharp decline from FY 2017 to FY 2019 following the imposition of measures in FY 2016, with no exports observed in the years from FY 2020 to FY 2023. Small volumes of the goods exported from Romania are observed in FY 2024 and FY 2025.

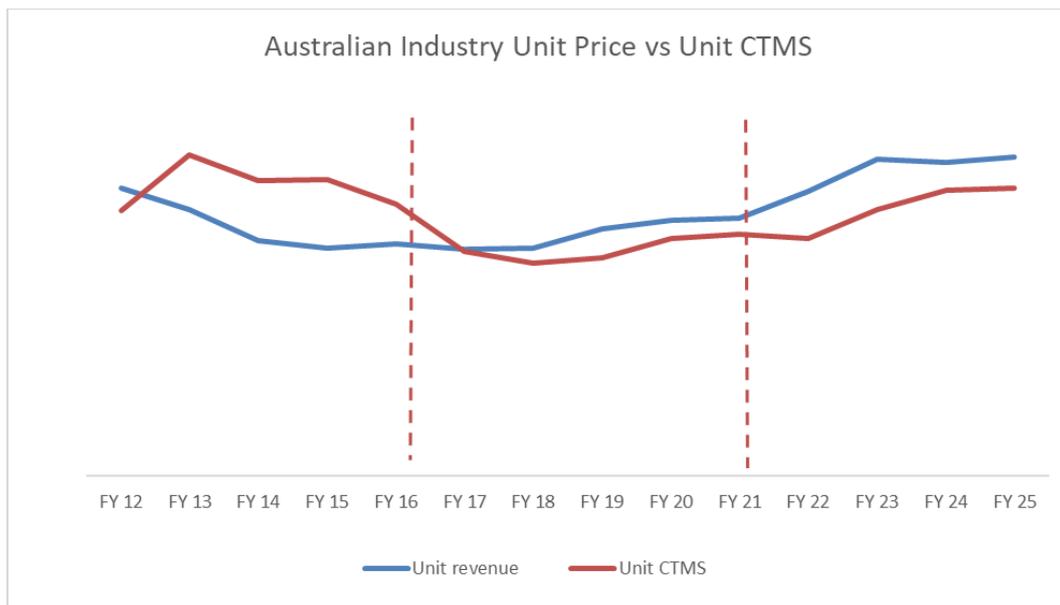


**Figure 5: Australian industry market share**  
*(red lines depict the imposition and continuation of measures in 2016 and 2021, respectively)*

### 5.6 Price effects

Price depression occurs when a company, for some reason, lowers its prices. Price suppression occurs when price increases, which otherwise might have occurred, have been prevented. An indicator of price suppression may be the margin between prices and costs.

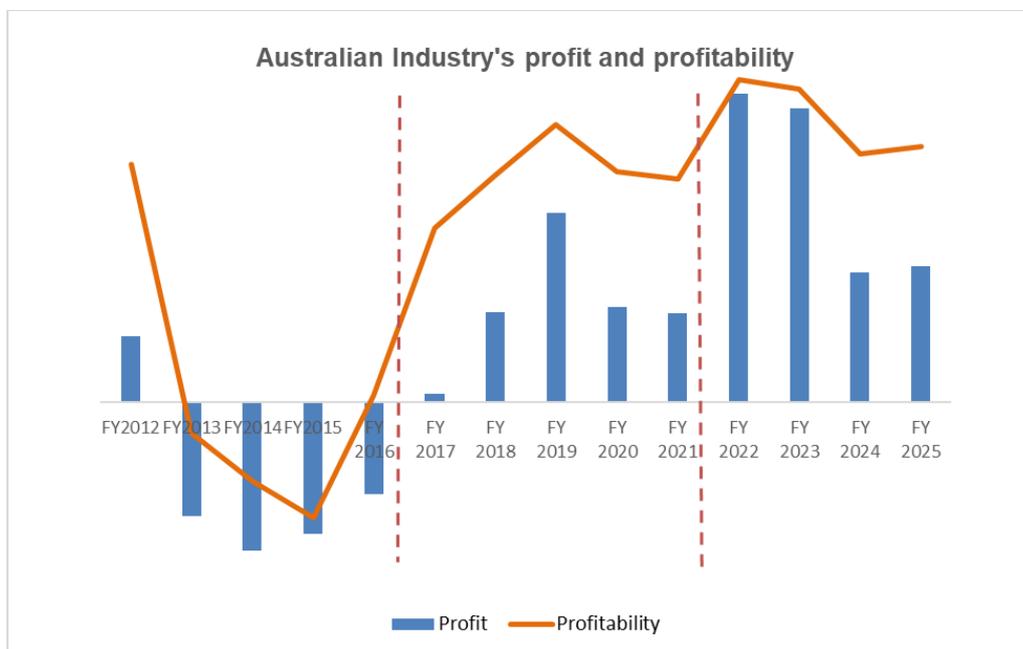
Figure 6 shows that unit price increased at a faster rate than unit costs in the period after the imposition of the measures, with a further widening in the period following the continuation of measures in FY 2021. This coincides with increased sales volume from FY 2021 to FY 2023. From FY 2023, the margin contracts as the Australian industry’s unit price flattens.



**Figure 6: Milltech unit revenue and CTMS**  
*(red lines depicts the imposition and continuation of measures in 2016 and 2021, respectively)*

## 5.7 Profits and profitability

The commission examined Milltech’s unit profit and profitability over the analysis period. Figure 7 shows that Milltech achieved net profits in each year following the imposition of measures, with the strongest results in 2022 and 2023 financial years.



**Figure 7: Milltech profit and profitability**  
*(red lines depict the imposition and continuation of measures in 2016 and 2021, respectively)*

## 5.8 Other economic factors

At the request of the commission, Milltech provided data in relation to a range of other economic factors that may be indicative of injury to the Australian industry for the inquiry period. Milltech did not make any claims of injury for these factors, including:

- the value of assets
- capital investment
- R&D expense
- revenue
- return on investment
- capacity utilisation
- employment
- wages
- productivity

When assessing this information, the commission found that Milltech has experienced improvements in the majority of factors since the measures were last continued.

## 6 LIKELIHOOD THAT DUMPING AND MATERIAL INJURY WILL CONTINUE OR RECUR

### 6.1 Preliminary finding

On the basis of the evidence obtained in the course of this inquiry, the Commissioner is satisfied that the expiration of the measures applying to chrome bar exported to Australia from Romania would lead, or would be likely to lead, to a continuation of, or recurrence of dumping and the material injury that the measures are intended to prevent. This preliminary finding is based on findings that:

- Romanian exporters would likely continue exporting the goods if the measures expired (section 6.5)
- exports from Romania would likely be at dumped prices (section 6.6)
- the dumping is likely to lead to a recurrence of material injury that the measures are intended to prevent (section 6.7)

The material injury that the measures were intended to prevent was set out in REP 319. In that report, the Commissioner found that the Australian industry had experienced material injury in the form of:

- Price depression and suppression of the goods sold in Australia
- Lost Australian sales volume, and reduced revenue, profits and profitability
- Reduced capacity utilisation and employment.

The commission's analysis of the likelihood that dumping and material injury will continue or recur is at **Confidential Attachment 3** and **Confidential Attachment 4**.

### 6.2 Legislative framework

Under section 269ZHF(2) the Commissioner must not recommend that the Minister take steps to secure the continuation of measures unless they are satisfied that the expiration of the measures would lead, or would be likely to lead, to a continuation of, or a recurrence of, the dumping and the material injury that the measure is intended to prevent.

The commission notes that its assessment of the likelihood of certain events occurring and their anticipated effect, as is required in a continuation inquiry, necessarily requires an assessment of a hypothetical situation. The commission must consider what will happen (or what would be likely to happen) in the future should a certain event, being the expiry of the measures, occur. However, the Commissioner must nevertheless base their conclusions and recommendations on facts.<sup>39</sup>

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<sup>39</sup> [ADRP Report No. 44](#) (Clear Float Glass).

### **6.3 The commission's approach**

In REP 319 the commission found that the Australian industry had experienced material injury in the form of price depression, price suppression, reduced sales volumes, reduced profits, reduced profitability, reduced revenue, reduced capacity utilisation and reduced employment.

The commission's analysis for the current inquiry period is conducted within the context of assessing whether, in the absence of measures, there will be a continuation or recurrence of the forms of material injury established in the original investigation.

The commission considered a number of relevant factors to assess the likelihood that dumping and material injury will continue or recur, as outlined in the Manual.<sup>40</sup> The commission's view is that the relevance of each factor varies depending on the nature of the goods and the market into which the goods are sold. In this instance, no one factor can provide decisive guidance. The following analysis therefore examines a range of factors that the commission considers relevant to this inquiry.

The commission's assessment of the likely continuation or recurrence of material injury takes into consideration the commission's understanding of competition within the Australian market throughout the life of the measures, the nature of the material injury that resulted in the imposition of measures, and an assessment of the anticipated effects of the removal of the measures on the economic performance of the Australian industry.

### **6.4 Australian industry claims**

In its application<sup>41</sup>, Milltech made the following claims regarding the continuation or recurrence of injury of chrome bar exported to Australia from Romania:

- it is the sole Australian industry member producing like goods
- the Australian chrome bar market for the goods remains highly price sensitive and that Milltech's prices for chrome bar sold into the Australian market are influenced by price competition from importers
- the Australian market size has increased since the measures were imposed, the most pronounced increase occurred following REP 568
- Romanian exports have continued at dumped prices despite the measures in place, indicating exporters have maintained distribution links to Australia, that continue to significantly undercut prices in the Australian market
- the introduction of trade defence mechanisms in other jurisdictions is likely to disrupt global trade patterns, resulting in diversion of the goods to Australia
- in the absence of measures, Romanian exporters could redirect excess capacity to Australia, likely increasing dumping and material injury to the local industry; and
- without measures, the Australian chrome bar industry is likely to continue to experience material injury, in the form of lower sales, price depression, and reduced profitability.

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<sup>40</sup> [The Manual](#), pages 136-138.

<sup>41</sup> [EPR 686](#), document no. 1.

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As part of its application, Milltech has provided the below in support of its claims:

- its analysis of data reported for the goods in the commission's Trade Remedy Index (TRINDEX)
- pricing data of Romanian goods to other markets and export price estimates and
- an estimate of the dumping margins for exports from Romania.

The commission has considered Milltech's claims in its analysis below.

### **6.5 Are exports likely to continue or recur?**

The commission considers that, should the measures expire, exports from Romania are likely to continue or recur.

The preliminary findings are based on the following factors:

- Romanian exporters have maintained distribution links to the Australian market in the inquiry period, including to customers of the Australian industry
- a change in the pattern of trade was observed in the Australian market since the imposition of the measures
- if the measures were to expire, Australia would likely be an attractive export market for Romanian chrome bar, given both the price of the goods manufactured in Australia and the high rates of anti-dumping measures applying to Romanian exports of the goods.

To form this view, the commission has assessed Romanian export volumes, maintenance of distribution links and availability of other markets.

#### **6.5.1 Export volumes and impact of measures**

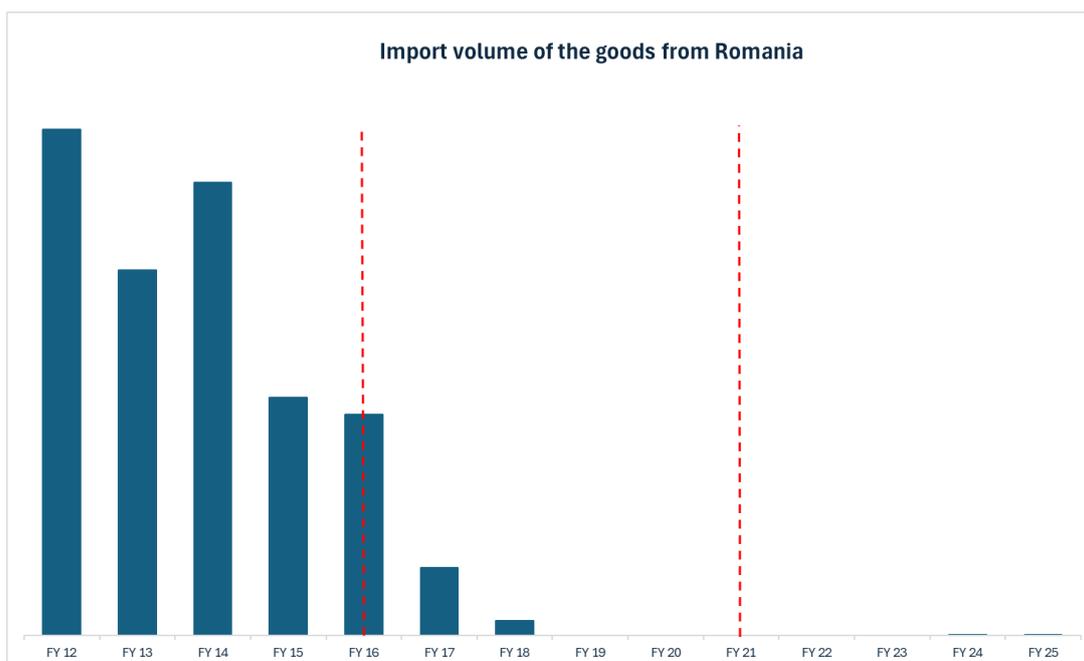
The Manual provides that in assessing the likelihood of continuing or recurring dumping, the commission may gather facts relevant to whether exports are likely to continue or resume, such as the volume of exports before and after measures were imposed and/or exporters' supply chains.<sup>42</sup>

As established in section 5.5.2, prior to the imposition of measures in 2016, exports from Romania accounted for a substantially higher proportion of the volume of chrome bar exported to Australia. This indicates that the current measures have been effective against dumped exports from Romania. The value of exports from Romania then decreased significantly since the measures were imposed in the years prior to the inquiry period. As such, there were minimal exports of the goods from Romania during the inquiry period, as shown in Figure 8.

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<sup>42</sup> [The Manual](#), page 137.

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**Figure 8: Import volume of goods from Romania**  
(red lines depict the imposition and continuation of measures in 2016 and 2021, respectively)

The commission's analysis of the ABF import database shows a shift in import volumes after the imposition of measures, away from Romania and to other European countries not subject to measures. The increase in imports from France, Italy and Sweden following the imposition of measures on Romania shows that new supply sources can quickly emerge in response to measures. This supports that Australia is an attractive market for exporters of chrome bar, and that importers can alter their supply channels relatively quickly in response to the imposition of measures. This is likely attributed to importers switching their source of the goods to obtain goods at lower prices due to the higher rate of IDD applied to exports from Romania.

The commission has found that Romanian exports of chrome bar in lengths greater than 8 metres (and thereby falling outside the goods description) have increased in the last 3 years. The commission's analysis of the ABF import database indicates the volume of these longer length imports is not immaterial, accounting for approximately 11 to 19 per cent of total imports of the goods (from all countries) over the relevant period. The commission considers that this further indicates that the Australian market remains attractive to Romanian exporters and that this indicates continued demand for Romanian chrome bar in Australia.

The Australian industry claims that there is limited application for chrome bar in lengths greater than 8 metres and chrome bar imported at these lengths would likely be cut to size after importation for the required application. The Australian industry claims that chrome bar in lengths greater than 8 metres would likely therefore be substitutable for the goods subject to this inquiry.

The commission acknowledges that the increase in imports of similar non-like goods, in isolation, is not an indicator that exports of the goods subject to this inquiry is likely to continue or recur. Although it appears that these similar non-like goods may be imported to circumvent the current measures, the commission has only considered the non-like

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goods in the context of this inquiry. Rather, the commission considers that it is a relevant factor, taken together with all other factors, to substantiate the commission's preliminary finding that there is a likelihood of the continuance or recurrence of exports. In the course of this inquiry, Milltech indicated to the commission its intention to lodge an anti-circumvention application in relation to these goods.

Noting the factors outlined above, the commission considers that the Australian market remains an attractive market for Romanian exporters. The change in the pattern of trade observed in the Australian market since the imposition of measures further indicates importers can alter their supply channels relatively quickly. The commission considers that Romanian exporters would likely re-enter the Australian market in the absence of measures.

### **6.5.2 Maintenance of distribution links**

The commission identified from analysis of the ABF import database that exporters from Romania have maintained their distribution channels to Australia and have continued to export the goods to Australia. While the volume of exports observed during the inquiry period was small relative to the period prior to the imposition of measures, the commission noted that the same exporter and importer relationships continued throughout the period since the measures were last continued.

The commission also compared the importers identified in the ABF import database against the sales listing of Australian industry. The commission noted that importers of the goods from Romania were also direct purchasers of the goods from the Australian industry during the period since measures were last continued. The commission considers that these purchasers would therefore be able to easily shift their supply preference from the Australian industry to their Romanian suppliers in the absence of measures.

### **6.5.3 Shipping of chrome bar through third countries**

In its application, Milltech asserts that the goods manufactured in Romania may be exported to Australia from other European countries, such as France and Italy to avoid measures. These assertions are largely based on acquisitions by the ASO H&P business group, including ASO Cromsteel Industries S.A. (Cromsteel), allowing for potential re-routing of their Romanian manufactured product via other European ports.

The commission examined Milltech's assertions and findings made in the previous continuation inquiry. The limited evidence provided by Milltech does not support its claim that the goods manufactured in Romania are exported through other European countries to avoid current measures. There is no other information before the commission, including ABF import database, noting that the country of origin of the goods must be declared, which would substantiate Milltech's claims.

The commission noted in the previous inquiry that major suppliers of chrome bar in Europe have a wide network of manufacturing facilities and export these goods to Australia through the same (or similar) importers and distributors that were active prior to the imposition of measures and which continue to be active during this inquiry period.

#### **6.5.4 Other markets**

In its application Milltech claims that if the measures were allowed to expire, Australia will likely become an attractive export market that is free of trade defence mechanisms and that Romania may look to divert excess export capacity to Australia. Additionally, Milltech asserts that new manufacturing plants has increased capacity by Romanian exporters. The applicant holds concerns that the introduction of tariffs on steel in the US will have a flow on effect in the Australian market, as Romanian exporters may redirect exports, previously bound for the US, to other countries including Australia.

The commission notes that there has been considerable volatility and uncertainty in relation to recent US trade policy and that the longer-term impact of these policies may take some time to unfold.

The commission also notes that Romanian exporters and the GOR did not respond to the questionnaires in this inquiry, and that no submissions have been received in respect of Romania's production capacity that seek to challenge or refute the claims made by the Australian industry in its application.

Noting these factors, the commission considers that tariffs and anti-dumping measures applying in other jurisdictions may result in exporters from Romania seeking alternative export markets, or to increase their volume of sales into existing export markets, such that chrome bar that is normally exported to other markets may be diverted to Australia.

#### **6.6 Will dumping continue or recur?**

Having regard to the evidence before the commission, the commission considers that the expiry of the measures would be likely to lead to a continuation of dumping of chrome bar from Romania.

This preliminary finding is based on the following significant factors:

- the goods were assessed to likely have been exported at dumped prices during the inquiry period
- the goods were dumped in the original investigation, and the period examined in the subsequent review found the goods to have likely been dumped
- the commission's analysis indicates that Romanian goods are unlikely to be competitive on price in the Australian market unless dumped
- the price sensitive nature of the Australian chrome bar market promotes a high level of competition between different sources of supply and
- no Romanian exporters or other interested parties have cooperated with this inquiry, have sought a review or revocation of the measures since the measures were imposed, nor have applications for duty assessments been made.

To form this view, the commission has considered previous dumping margin assessments and an estimate of the competitiveness of undumped prices in the Australian market, as outlined in the section below.

### 6.6.1 Historical dumping margins

The commission considers that the past behaviour of dumping by exporters from Romania is an indicator that dumping is likely to resume if the measures expire. Table 9 below summarises the history of dumping margin findings associated with exporters from Romania.

Exporter	INV 319 IDD	CON 568 IDD
S.C Nimet S.R.L	35.3%	All exporters reverted to all other exporters rate
Cromsteel	22.4%	
All other exporters	66.9%	40.7%

**Table 9: Historical dumping margins<sup>43</sup>**

Following CON 568 all exporters reverted to a single dumping margin, as there was no cooperation from exporters during the inquiry. There have been no reviews of the measures and no applications for duty assessment which would provide more recent dumping margins for the goods.

The commission considers that the previous dumping findings support a preliminary finding that dumping from Romania is likely to recur if the measures were to expire.

### 6.6.2 Analysis of dumping within the inquiry period

As outlined in chapter 7, the Commissioner is not recommending a change to the variable factors as part of this inquiry. There were only small volumes of exports from Romania during the inquiry period. As noted in section 2.4.1, the commission sent questionnaires to identified exporters of chrome bar from Romania as well as the GOR however did not receive any response to these questionnaires. In the absence of contemporary information, the commission considers the best available information was ascertained in the original investigation.

In the absence of contemporary information, the commission considers the current Dumping Duty Notice reliable evidence of the levels of dumping during the inquiry period.<sup>44</sup> Noting that no interested party has sought a review or revocation of dumping measures since the measures were imposed, the notice remains valid and applicable to the goods. Furthermore, since the measures were continued in 2021, dumping duty has been collected on goods exported from Romania and no applications for a duty assessment have been lodged, suggesting that the level of IDD collected is representative of the level of dumping occurring.

In conducting this inquiry, the commission considered an alternative approach to analysing the likelihood of dumping. The commission constructed variable factors to determine the likelihood that the goods were exported at dumped prices during the inquiry

<sup>43</sup> [EPR 319](#), document no. 39.

<sup>44</sup> See ADRP Report No. 169 *Steel Pallet Racking exported from China and Malaysia*, paras. 108, 118.

period. In ascertaining the likely export price and normal value applicable to the current inquiry period, the commission made timing adjustments to the variable factors ascertained in the original investigation.

The commission considered determining the likely export price by comparing the price of the one export observed in this inquiry period to a similarly sized shipment from INV 319 and applying the percentage change to the export price determined in INV 319. To calculate the normal value applicable to the current inquiry period, the commission has used the normal value established in INV 319 for 'all other exporters', with an adjustment made for the movement in the MEPS European Semi-finished Steel index<sup>45</sup> between the current inquiry period and that from the investigation period for INV 319. In taking this approach, the commission has relied on the best information available to determine the export price and normal value in circumstances where there is no exporter cooperation. The commission considers that this information provides an appropriate basis for assessing whether dumping is likely to recur. On this basis, the commission is satisfied that this information is indicative that dumping is likely to recur.

The commission acknowledges that the alternative methodology, in isolation, is not a definitive indicator that dumping is likely to continue or recur. However, the commission has not relied on this factor in isolation. Rather, the commission considers that it is a relevant factor, taken together with all other factors, to substantiate the commission's preliminary findings that there is a likelihood of the continuance or recurrence of dumping.

The commission's analysis of the likelihood of dumping is at **Confidential Attachment 3**.

## **6.7 Will material injury continue or recur?**

The commission considers that the expiry of the measures would be likely to lead to a recurrence of the material injury that the measures are intended to prevent.

The commission's analysis is conducted within the context of assessing whether in the absence of measures there will be a continuation or recurrence of the forms of material injury established in the original investigation.

In REP 319 the commission found that the Australian industry had experienced material injury in the form of a loss of sales volume and revenue, price suppression and depression, reduced profit and profitability, and a reduction in capacity utilisation and employment.

The preliminary finding that material injury would likely recur is based on the following significant factors:

- dumped exports from Romania would likely reduce the Australian industry's sales volumes
- dumped exports from Romania would likely suppress or depress the Australian industry's prices as:
  - the Australian industry has considerable regard to import prices when negotiating prices

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<sup>45</sup> MEPS International <https://mepsinternational.com/gb/en>.

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- the expiry of measures would provide exporters from Romania with a price advantage in a price-sensitive market
- a reduction in import prices as exporters seek to compete in a market that is absent of measures would place downwards pressure on the Australian industry's prices.

To form this view, the commission has assessed the likely effect of price and volume in the absence of measures as outlined in the sections below.

### **6.7.1 Forms of material injury found in the original investigation**

As discussed in section 5.4, in the original investigation, the commission found that the Australian industry producing chrome bar had suffered the following forms of injury caused by dumped goods from Romania:

- price depression
- price suppression
- reduced sales volume
- reduced profits
- reduced profitability
- reduced revenue
- reduced capacity utilisation; and
- reduced employment.

### **6.7.2 Pricing analysis**

As detailed in chapter 3, the commission considers that the Australian produced goods and the imported goods have similar end uses, meet similar quality specifications and standards, are sold to the same types of customers and compete directly with each other in the same market segments. Previous inquiries conducted by the commission indicate that the market is highly price sensitive and is an important factor in customers' purchasing decisions<sup>46</sup>. The commission observed that the competitive dynamic within the Australian market remains relatively unchanged, with a limited number of suppliers and end users of chrome bar.

As there were a negligible volume of exports of the goods from Romania during the inquiry period, the commission has had regard to an estimated Romanian export price using the methodology as described in section 6.6.2. The commission considers this approach gives the best available estimate of the price at which the goods exported from Romania would enter the Australian chrome bar market in the absence of the measures.

The commission observed that the current price of goods exported to Australia from Romania is sufficiently similar to the price of goods exported from other European exporters. Pricing analysis of Romanian exports in previous cases has placed Romanian exporters relatively low within the market, with a pricing advantage that dumping allows. The commission considers that if Romanian exports were to re-enter the market in increased volumes, the goods would likely have an impact on pricing in the market. As

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<sup>46</sup> Investigation 319, Continuation Inquiry 568.

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previously established, the Australian industry references importer pricing when negotiating prices on chrome bar and so this would likely lead to the recurrence of material injury to the Australian industry in the form of pricing suppression and depression.

The commission considers that this pricing analysis supports a preliminary finding that, should measures be removed, it is likely that the Australian industry will come under pricing pressure from increased export volumes from Romania. This would likely lead to a recurrence of price depression and price suppression and a material reduction in revenue and profit.

### **6.7.3 Likely effect on volume and market share**

The commission expects that, should the measures expire, it is likely Romanian exporters will endeavour to recapture their market share in the Australian chrome bar market, which would reduce the Australian industry's market share and volume.

As detailed in section 6.7.2 above, the commission considers it likely in the absence of the measures, that Romanian exporters will continue to export chrome bar at dumped prices that undercut the Australian industry. Should the Australian industry be unwilling or unable to reduce prices to compete with these dumped exports, the commission considers it will likely cede sales volume and market share.

Export volumes of chrome bar from Romania were substantially higher before measures were imposed following REP 319 in 2016. This indicates that the current measures have been effective against dumped exports from Romania.

In section 5.4.2 of this report, the commission analysed the market share of chrome bar of the Australian industry and importers (based on source country) immediately following the imposition of measures in 2016. The commission notes that prior to the imposition of measures, Romanian exports accounted for approximately 29 percent of the Australian market. The commission considers that in the absence of measures, it is likely that some of the sales volume which Romanian exporters might recapture would also be at the expense of exporters from other countries, not only the Australian industry. Nonetheless, should the measures expire and Romanian exporters regain that level of market share, the injury to Australian industry would be material.

The Commissioner is therefore preliminarily satisfied that should the measures expire it is likely Romanian exporters will endeavour to recapture their market share in the Australian chrome bar market. The Commissioner considers that this would likely lead to a recurrence of injury to the Australian industry, in the form of reduced sales volume and reduced market share.

## 7 VARIABLE FACTORS

### 7.1 Variable factors

The Commissioner is not recommending a change to the variable factors relevant to the notice as part of this inquiry. The commission notes that no interested party has provided evidence to suggest that the commission alter the notice, nor does the Act require the Commissioner to recommend to the Minister that the variable factors be altered in a continuation inquiry.

When determining whether new variable factors should be ascertained in a continuation inquiry, the commission will consider the information before it, including responses to exporter questionnaires. The presence or absence of exports and their volume during the inquiry period is another relevant factor as to whether new variable factors are ascertained.

Where an individual exporter considers that there is a basis for reconsideration of the variable factors which apply to them, the legislative framework provides for a process of a review of measures under Division 5 or an accelerated review for a new exporter under Division 6.

The Commissioner's decision in this regard is based on the following:

- there is no requirement for the Commissioner to do so under section 269ZHF
- there were negligible volumes of the goods exported to Australia from Romania during the inquiry period
- the best available information available to the commission to determine the variable factors were obtained in 2016 during the original investigation 319.

Accordingly, the commission does not have sufficient contemporary information to recommend that the Minister change the current export price, normal value and non-injurious price (NIP) relevant to the dumping duty notice.

The Commissioner proposes to recommend that the Minister not alter the variable factors. There is no requirement for the Commissioner to recommend that the Minister change the variable factors in a continuation inquiry. Accordingly, should the Minister decide to secure the continuation of the measures, the dumping duty notice will remain unaltered.

### 7.2 Interim dumping duty method

As the Commissioner recommends that the dumping duty notice remain unaltered, the Commissioner recommends that the method for working out the amount of IDD on exports from Romania remains unaltered.

The current method for determining the amount of IDD payable in relation to exports from Romania is the *ad valorem* method. The current measures are listed in Table 1 of section 2.3.

## **8 PROPOSED RECOMMENDATIONS**

For the reasons outlined in chapter 7 of this SEF, the Commissioner is preliminarily satisfied that the expiration of the measures would 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. Therefore, the Commissioner proposes to recommend that the Minister take steps to secure the continuation of the measures applying to the goods exported to Australia from Romania.

The Commissioner further proposes to recommend to the Minister that the dumping duty notice remain unaltered.<sup>47</sup> In these circumstances it has not been necessary to reconsider the form of measures or application of the lesser duty rule.

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<sup>47</sup> Section 269ZHF(1)(a)(i).

**9 APPENDICES AND ATTACHMENTS**

<b>Confidential Attachment 1</b>	Australian market analysis
<b>Confidential Attachment 2</b>	Economic condition of the Australian industry
<b>Confidential Attachment 3</b>	Likelihood of recurrence analysis
<b>Confidential Attachment 4</b>	Likelihood of dumping analysis