

PUBLIC RECORD

Austube Mills Pty Ltd
ABN 21 123 666 679

Head Office - Industrial Drive, Mayfield NSW 2304
PO Box 156, Newcastle NSW 2300
Ph: +61 2 4935 4498



11 March 2026

The Director
Investigations 2
Anti-Dumping Commission

BY EMAIL: investigations2@adcommission.gov.au

Dear Director,

Accelerated Review No. 697 concerning exports of hollow structural sections (HSS) by Nexteel Co., Ltd from South Korea to Australia.

Australian Industry Submission

This submission is made by Austube Mills in relation to the initiation of Accelerated Review No. 697 concerning exports of hollow structural sections (HSS) by Nexteel Co., Ltd. (**Nexteel**) from South Korea to Australia.

Austube Mills notes the preliminary assessment by the Anti-dumping Commission (**Commission**) of Nexteel as a 'new exporter' that is unrelated to an exporter whose exports were examined during the original investigation.¹

We further acknowledge the Commission's stated intention to publish Nexteel's response to exporter questionnaire on the public record in the interests of transparency² and urge sufficient disclosure to permit Australian industry a reasonable understanding of the Korean domestic sales models considered most alike to the models of HSS exported to Australia. This is a critical element that directly affects the determination of an interim duty rate or floor price relevant to this exporter.

Austube Mills raises the following points for consideration by the Commission:

1. Nexteel has a propensity for dumping and is a high-risk exporter.
2. Arm's length assessment of exports via intermediaries requires testing.
3. Rigorous model comparison of domestic and export sales is critical.
4. An effective form of duty is needed.

1. Nexteel has a propensity for dumping and is a high-risk exporter

While Nexteel may be considered a 'new exporter' in relation to exports of HSS to Australia, Nexteel has a history of dumping pipe and tube products in other countries.

¹ ADN No. 2026/18

² ADN No. 2016/18 at p3

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- Canada Border Services Agency:
 - Final determination with respect to Certain Carbon and Alloy Steel Line Pipe from the Republic of Korea (2017): Margin of dumping for Nexteel Co., Ltd = 12.9%³
- United States International Trade Administration:
 - Final Court Decision relating to Certain Oil Country Tubular Goods from the Republic of Korea (original investigation 2015 to 2016): Margin of dumping for Nexteel = 18.29%⁴

Nexteel is an exporter with considerable experience in navigating anti-dumping proceedings in the United States and Canada. The imposition of effective trade remedies in these countries and broader quota-based Safeguard measures that apply to steel products in the European Union, have meant that Nexteel is actively seeking alternative “open” markets with low barriers to entry. Australia’s Accelerated Review process may have been identified to facilitate rapid new market access with low barriers to entry for a “new exporter”.

In May 2025, Nexteel obtained ACRS certification⁵ for products manufactured through both of Nexteel’s Korean pipe and tube production facilities, signalling their intention to commence exporting commercial quantities of HSS to Australia. An experienced anti-dumping operator, such as Nexteel, would likely have performed careful calculations to determine the required export price for initial Australian shipments to ensure a zero or *de minimis* dumping margin outcome prior to commencing exports and lodging their Accelerated Review application.

Nexteel is a highly motivated exporter with a propensity for dumping that is experiencing significant competition and headwinds in their own domestic market. In late 2025, the South Korean government released a “Steel Industry Advancement Plan”⁶ with the aim to ‘*reduce excess steel capacity and enhance future competitiveness*’. The government is reportedly ‘*supporting companies with “plans for facility adjustments among items where competitiveness is weakening and oversupply is intensifying (eg. structural steel and pipes)”*’. Regarding ‘trade responses’, the government has stated they will ‘*systematically respond to overseas export barriers and unfair domestic imports*’.

While Nexteel may be a “new” exporter, they present considerable risk of large volume exports of HSS at dumped prices being directed to Australia and causing significant injury to Australian industry, particularly in the 12 months following the Accelerated Review when industry is prohibited from applying for a Review of Measures for this exporter. The Commission’s Statement of Intent⁷ states:

‘In collaboration with DISR, Austrade, the ABF, the Australian Bureau of Statistics and DFAT, the Commission is enhancing its monitoring of global trade data to identify risks of trade diversion, strengthen compliance and address circumvention of anti-dumping measures, as part of an early warning system’.

³ <https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/lp22017/lp22017-fd-eng.html>

⁴ <https://www.federalregister.gov/documents/2020/11/06/2020-24628/certain-oil-country-tubular-goods-from-the-republic-of-korea-notice-of-court-decision-not-in-harmony>

⁵ https://steelcertification.com/Certificates/Webpdfs_current/250504.pdf

⁶ <https://www.spglobal.com/energy/en/news-research/latest-news/metals/110425-south-korea-plans-steel-overhaul-to-cut-oversupply-build-competitiveness>

⁷ <https://www.industry.gov.au/publications/statement-intent-anti-dumping-commission>

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Austube Mills welcomes monitoring of trade activity by Nexteel for evidence of trade diversion and urges the Commission to be cognisant of this exporter's dumping risk profile to ensure an effective form of duty is applied in this Review.

2. Arm's length assessment of exports via intermediaries requires testing

Austube Mills alerts the Commission to the potential risk of treatment of Nexteel exports via intermediaries as arm's length. The WTO Dispute Settlement Panel in *Certain Anti-dumping Measures on Oil Country Tubular Goods (OCTG) from Korea* (DS488) affirmed the United States Department of Commerce (USDOC) decision to construct the export price for Nexteel on the basis of the evidence of association between Nexteel and POSCO⁸.

The findings and evidence concerning the relationships between exporter (Nexteel), coil supplier (POSCO) and US importer (Customer) were outlined in the first written submission⁹ of the United States in DS488. USDOC found that the relationship between Nexteel and POSCO in the production and sale of OCTG was not a 'normal supplier-customer relationship' but rather a 'remarkably interconnected relationship'. Key factors in this assessment included Nexteel's heavy reliance on POSCO-supplied hot-rolled coil, POSCO's involvement in Nexteel's production and marketing of OCTG, and close coordination across all stages – production, marketing and sales.

USDOC also found Nexteel closely associated with the US importer. Through POSCO's involvement, the importer was not an independent party to its transactions with Nexteel ie. these transactions could not be considered to be arm's length. As a result, USDOC rightly concluded that Nexteel's export price was unreliable and appropriately used the first sale to an independent US buyer.

The Commission's dumping commodity registers for various steel products, show that POSCO International Corporation acts as a trading entity for multiple Korean steel exporters, including those supplying reinforcing bar and zinc-coated steel. POSCO Australia Pty Ltd is also listed as an entity facilitating POSCO Korea's zinc-coated steel exports. Austube Mills urges the Commission to rigorously test any arm's length claims made by Nexteel – particularly if POSCO Korea supplies substantial HRC used in production of Nexteel's HSS. If that HSS is exported to Australia by POSCO International Corporation or imported by POSCO Australia Pty Ltd, again careful testing of the arm's length nature of transactions is needed. Evidence of reciprocal payment arrangements or inter-party commercial conduct would indicate non-arm's length transactions, requiring the Commission to construct an export price for Nexteel based on the selling price by the importer into the Australian market, that is, the first arm's length sale.

3. Rigorous model comparison of domestic and export sales is critical

Austube Mills notes that Nexteel has provided a 'dumping margin estimation' based on its Australian sales and the domestic sales of like goods during the 2025 period. In the Commission's assessment of normal value and export price for the determination of a dumping margin for Nexteel, it is important that the domestic sales

⁸ https://www.wto.org/english/tratop_e/dispu_e/cases_e/1pagesum_e/ds488sum_e.pdf

⁹ <https://ustr.gov/sites/default/files/enforcement/DS/US.Sub1.Revised.Publ.fin.pdf> Paragraph 158 to 174

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goods that are most alike to the goods exported to Australia are identified to ensure an appropriate comparison is applied.

Apart from matching finish/coating and shape, the correct grade comparison is key as higher strength grades typically incur a price premium over lower strength certified grades. Based on the mechanical property of minimum yield strength as specified for each grade in the relevant Standard should be compared as this property is important for structural applications of HSS, given this is the minimum force applied per unit area for the structure to begin to yield (start to deform). This comparison of minimum yield strength must not be done through a comparison of test certificates which necessarily have to exceed the minimum yield strength specified in the Standard.

For the Commission’s consideration in assessment of relevant model comparison by grade, Austube Mills provides a comparison of HSS grades likely produced and sold in Korea and the grades likely exported to Australia by Nexteel. The Australian HSS grades are produced to AS/NZS 1163:2016 Cold-formed structural steel hollow sections.

The prevalent Standards for Korean HSS production are understood to be KS D 3566 and Japanese Standard JIS G 3444 (Carbon steel tubes for general structural purposes). Square steel pipes for general structures have separate standards, namely KS D 3568 and JIS G 3466 (Square steel pipes for general structures).

The model control code categories for minimum yield strength applied to HSS in previous investigations and reviews are provided below, along with Austube Mills’ view of the commonly sold Korean and Japanese Standard HSS grades that are most alike to the Australian Standard grades likely to be exported by Nexteel, for the Commission’s reference.

Steel grade with nominal minimum yield strength less than or equal to 300 MPa	250
Steel grade with nominal minimum yield strength greater than 300 MPa but less than 380 MPa	350
Steel grade with nominal minimum yield strength equal to or greater than 380 MPa	450
Steel grade with no nominal yield strength	N

Standard	AS/NZS 1163		
Grade	250	350	450
Minimum Yield Strength (MPa or N/mm ²)	250	350	450
Standard	KS D 3566/JIS G 3444		
Grade	STK 400	STK 500	STK 540
Minimum Yield Strength (MPa or N/mm ²)	235	356	390
Standard	JIS G 3466		
Grade	STKR 400	STKR 490	
Minimum Yield Strength (MPa or N/mm ²)	245	325	
Standard	KS D 3568		
Grade	SRT 275	SRT 355	SRT 450
Minimum Yield Strength (MPa or N/mm ²)	275	355	450

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In the interests of transparency, the Commission is requested to provide disclosure of the minimum yield strength grade categorisation (for categories 250, 350 and 450) applied by Nexteel in the public file version of the exporter questionnaire response to permit industry an understanding of the model matching applied which underpins the dumping margin calculation. These Korean and Japanese standard grades of HSS appear publicly in Korean pipe and tube manufacturer brochures – there is no valid reason for the exporter to claim that confidentiality needs to be applied to the grades of HSS sold domestically.

4. An effective form of duty is needed

The most effective measure to mitigate future injury to the Australian industry should always be imposed. Given Nexteel's domestic market challenges, propensity to dump pipe and tube in other jurisdictions, global steel overcapacity and the geopolitical instability disrupting freight and trade in international steel markets, Austube Mills urges the Commission to adopt a conservative approach in determining the appropriate duty method for this exporter. While they may be a 'new' HSS exporter to Australia, they can not be considered low-risk and an effective form of measure is needed to ensure non-injurious Australian market behaviour is demonstrated.

In the most recent review of variable factors concerning hollow structural sections, the Commission applied:

- A combination interim dumping duty method where dumping was found; and
- A floor price method where margins were low or negative, but risk of price depression remained.¹⁰

In all circumstances where there is a positive dumping margin determined for an exporter, including Nexteel, if that is the case in this Accelerated Review, then the combination form of interim duty calculation should be imposed by the Minister, with the variable component being based on the ascertained export price. This would also be consistent with the form of duty that applies to HSS exports from all other exporters from South Korea that are currently subject to measures.

If Nexteel is found to have exported at undumped prices or the margin of dumping is determined to be *de minimis*, then a floor price mechanism should nevertheless be applied for this exporter based on the ascertained normal value. The exports of HSS by Nexteel used in the dumping margin calculation may not be representative of future export behaviour by this exporter. ACRS accreditation was only obtained in May 2025, as such it is likely that only 6 months of limited export volumes at a reasonably high price (in preparation for lodging the Accelerated Review application) were factored into the dumping margin calculation.

Please do not hesitate to contact your Austube Mills representative on record with any questions.

FOR AND ON BEHALF OF THE

AUSTRALIAN INDUSTRY

¹⁰ ADN No. 2022/049 Continuation Inquiry No. 590