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Received
Anti-dumping commission 20 July 2026

The Director – Investigations 4
Anti-Dumping Commission
GPO Box 2013
Canberra
Australian Capital Territory 2601

FOR PUBLIC RECORD

By email

Dear Director

ADC 688 – certain flat rolled steel products from China and Korea POSCO submission in response to applicant comments

As you know, we are legal counsel for POSCO in respect of this investigation.

We refer to the submission received by the Commission from BlueScope Limited (hereinafter "BlueScope" or "the applicant") in this investigation dated 13 July 2026 and published on the Commission's electronic public record on 14 July 2026.[1] In this submission, we respond to the applicant's comments to the extent that they relate to the Commission's prospective determinations concerning POSCO in this investigation.

The BlueScope submission acknowledges, under "*III. POSCO*":

> *BlueScope <u>does not contest the broader methodology</u> by which the Commission has assessed the cooperating exporters generally.*
>
> *BlueScope's observations in this section are directed to discrete aspects of the Commission's assessment of POSCO and <u>should not be taken as challenging the broader analytical framework applied by the Commission in SEF 688</u>.*[2] [underlining supplied]

1 EPR 688-25

2 EPR 688-025, page 7.

POSCO provides its responses in the same context, which is that both the applicant and POSCO agree with the overall dumping margin methodology applied by the Commission with respect to POSCO's exports.

1 Export price concerning port handling charges

BlueScope's first concern relates to the Commission's treatment of port handling charges concerning certain of POSCO's export transactions. BlueScope questioned if the port handling amount was *"overstat[ed]"* or *"exceed[ed] an arm's length benchmark"*.

Such concerns are unwarranted.

As repeatedly stated in the Commission's verification report with respect to POSCO, the Commission determined the port handling expenses, as an adjustment factor, *"with reference to the export port handling invoices"*.[3] For the record, the Commission verified those expenses against invoices issued by third party service providers, and determined that the amounts were unaffected by any affiliation between POSCO and its related party intermediaries.

In any case, the same amounts are adopted as an "addition" to the adjusted normal value. Therefore the export port handling charges did not and could not have had the effect of *"understat[ing]"* the dumping margin.

2 Related-party export sales determination

BlueScope's second concern relates to the Commission's determination of export prices where the transactions involved POSCO's sale to related customer. BlueScope's main complaint here is that "*the basis upon which the Commission assessed POSCO's related-party export sales is not apparent from the SEF and does not disclose the same level of analysis applied to certain Chinese exporters.*"[4]

Such concerns are unfounded, and ignores the clear findings of the Commission. The basis upon which the Commission found that POSCO's sales to its related customer were at arms length is already cited by BlueScope in its submission, specifically:[5]

> *The Commission finds that POSCO sold its Australian export goods to related customers at arm's length, on the basis that POSCO …sold goods to related and unrelated customers at similar prices… and …at similar prices to other sellers in the Australian market. That disclosure mirrors the Commission's exporter verification report for POSCO.* [footnote omitted]

This finding is reflected in the exporter verification report, which confirms that, for all related customer transactions, POSCO sold the Australian export goods at arm's length within the meaning of section 269TAA of the *Customs Act 1901*. The Commission also examined the related-party charges associated with the export sales, including port handling costs incurred by POSCO's related party intermediary, and adjusted the export price on an FOB basis accordingly.

As to BlueScope's further suggestion that *"whether the Commission has undertaken an equivalent assessment of POSCO's related-party export sales, as the basis for any such assessment is not*

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3 EPR 688-016, pages 14-15

4 EPR 688-025, page 8

5 Ibid, page 8.

apparent from the SEF", the answer is also in plain sight. POSCO refers to the following findings in the SEF:

> *In respect of Australian sales of the goods by POSCO, the commission finds that the importer has purchased the goods from the exporter through unrelated entities involved in steel trading and distribution or via POSCO's related party re-seller POSCO International.*[6]

Accordingly, the circumstances pertaining to POSCO's exports are materially different from the scenario concerning the relevant Chinese exporters. The latter, as noted by BlueScope, involved *"the sale of the goods through a related intermediary to a related importer"*.[7] BlueScope's attempt to compare the Commission's analysis of POSCO's sales with those by the Chinese exporters is misplaced and should be dismissed.

3 Level of trade adjustment

The last concern stipulated by BlueScope in its SEF commentary relates to the Commission's determination of a level of trade adjustment to the normal value with respect to POSCO's Australian sales of the goods. BlueScope questions whether the level of trade adjustment reflected *"the actual proportions of POSCO's domestic plate sales made at the distributor and end-user levels"*, and *"whether the comparison properly matches like models and excludes shipbuilding plate, and whether any adjustment accurately reflects genuine, consistent level of trade differences rather than a product or channel mix effect"*.[8]

The following paragraph from the Commission's verification report for POSCO adequately addresses BlueScope's questions:

> *The value of the adjustment has been worked out by comparing weighted average quarterly prices for each model sold at each level of trade.*[9]

That is, the Commission's methodology involved identification of the actual level of trade difference between the distributor and end user levels, and for each MCC. The adjustment was only applied to POSCO's domestic sales transactions at the "end user" level. The level of trade adjustment applied therefore accurately reflects the *"actual proportions of POSCO's domestic plate sales made at the distributor and end user levels"*, and is unaffected by any *"product or channel mix effect"* as raised by BlueScope. That is, the Commission correctly confirmed the existence of the actual level of trade differences and has already applied the adjustment in a manner consistent with the approach advocated by BlueScope – and based on fully verified evidence.

4 Other comments concerning "Korean domestic plate pricing"

BlueScope's SEF commentary, lodged on the last day of the 20 day period for interested parties to provide a response to the SEF, also contains general comments concerning *"Korean domestic plate pricing"*. POSCO notes the applicant's acknowledgement and clear statement that it *"does not contest the broader methodology"* the Commission adopted with respect to cooperative exporters, and that its comments *"should not be taken as challenging the broader analytical framework applied by the*

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6 SEF 688, page 51.
7 EPR 688-025, page 8.
8 Ibid, page 10.
9 EPR 688-016, page 16.

Commission in SEF 688" with respect to POSCO.[10] This acknowledgement and clear statement is also consistent with BlueScope's other submissions concerning POSCO in this investigation – none of which raised issues with the suitability of POSCO's domestic sales for normal value determination purpose.[11]

As such, POSCO does not intend to engage with BlueScope's broad brush and unspecific comments concerning *"Korea domestic plate pricing"*. Instead, POSCO simply wishes to point out that the Commission has specifically determined, with respect to POSCO:

> *…there is a sufficient sales volume of domestic like goods, sold at arm's length and in the ordinary course of trade to set a normal value under section 269TAC(1).*[12]

and

> *The commission finds that POSCO's production records reasonably reflect competitive market costs.*[13]

POSCO agrees with the Commission's determinations.

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In light of the above, and consistent with the Commission's finding that the goods exported by POSCO to Australia during the investigation period were not dumped, the Commission should proceed to terminate the investigation in so far as it relates to POSCO immediately, pursuant to s269TDA(1) of the Act.

Yours sincerely

FOR AND ON BEHALF OF POSCO

Charles Zhan

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10 EPR 688-025, page 7.
11 EPR 688-009, EPR 688-001, page 56.
12 EPR 688-016, page 7, SEF 688, page 52.
13 Ibid, page 9.