



6 July 2026

Director – Investigations 4
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Email: Investigations4@adcommission.gov.au

Public File

Exemption Inquiry No. 105 (EX0105) Hot Rolled Coil Steel exported to Australia from the People's Republic of China

1. Introduction

As the Australian producer of hot rolled coil steel (**HRC**), BlueScope Steel Limited (**BSL**) makes this submission in response to the Anti-Dumping Commission's initiation of Exemption Inquiry No. 0105 on the subject goods exported from the People's Republic of China (**China**).¹

This submission addresses the exemption claim for low carbon emission HRC marketed under the "Green Steel – BeyondECO" brand (the **exemption goods**).

For the reasons established below, BSL opposes the granting of the exemption and requests that the Commissioner recommend to the Minister that the exemption not be granted.

2. Background

Dumping and countervailing measures were imposed on HRC exported from China by public notice on 4 May 2026, following the Minister's consideration of REP 658.²

During investigation 658, Baoshan Iron & Steel Co Ltd, Baosteel Zhanjiang Iron & Steel Co Ltd and Shanghai Meishan Iron & Steel Co Ltd (collectively referred to as "**Baosteel**") sought exemptions for three categories of HRC. BSL responded by way of its submission of 29 January 2026.³ BSL did not oppose the exemption sought for high-tensile 700-grade steel sheet but opposed the remaining requests.

3. BSL's position

An exemption may be recommended only where the Minister is satisfied that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions, having regard to the custom and usage

¹ ADN 2026/077, 29 May 2026 (the Initiation Notice).

² Anti-Dumping Commission Report No. 658 (REP 658); dumping duty notice and countervailing duty notice published by public notice on 4 May 2026.

³ Investigation No. 658 (**INV 658**), EPR folio no. 37.

of trade.⁴ BSL submits that this condition has not been satisfied for EX0105, as summarised in the following table and expanded on below:

Exemption aspect	BSL position
a. BSL offers for sale like or directly competitive goods	BSL makes, and offers for sale in Australia to all purchasers on equal terms under like conditions, HRC that is like or directly competitive to the exemption goods. The exemption goods are, in physical and metallurgical terms, the same as conventional HRC.
b. The claimed carbon reduction is a carbon accounting attribute	The asserted reduction in carbon footprint is a production process carbon-accounting claim. It does not alter the physical characteristics, mechanical properties, dimensional range or end-use of the HRC, and does not render BSL's HRC other than like or directly competitive.
c. The claimed low carbon attribute does not distinguish the goods	The claim is expressed relative to the applicant's own undisclosed baseline and methodology, is not supported by third-party verified Environmental Product Declarations (EPDs) under a recognised EPD program, and may reflect an accounting allocation rather than a reduction physically embodied in the coil delivered.
d. Comparable carbon-accounting approaches are available to BSL	Any low-carbon product attribute asserted could potentially be provided by BSL applying similar product carbon-footprint methodologies. The absence of such an offering reflects commercial and operational choice by BSL, not a technical incapacity.
e. The exemption goods cannot be objectively distinguished from conventional HRC	The exemption goods are defined by reference to a brand and an unverifiable emissions claim. The goods cannot be distinguished at the border from conventional HRC.

Exemptions are sought under and governed by sections 8(7) and 10(8) of the Dumping Duty Act. The legislation requires the Minister to be satisfied:

...that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions having regard to the custom and usage of trade.

The relevant question is whether goods that are like or directly competitive to the exemption goods are offered for sale in Australia on the terms prescribed by the legislation. Likeness is determined by reference to the physical characteristics of the goods, their commercial substitutability, their functional end-use and, where relevant, production processes.⁵ BSL submits that likeness is not determined by reference to the marketing claims which a producer makes in relation to the goods.

Accordingly, where the Australian industry offers for sale goods that share the same physical, functional and end-use characteristics as the goods the subject of an exemption request, the like/directly competitive condition is met, and an exemption should not be granted.

⁴ Sections 8(7) and 10(8) of the Customs Tariff (Anti-Dumping) Act 1975 (Dumping Duty Act).

⁵ The definition of "like goods" in section 269T(1) of the *Customs Act 1901*, and the Commission's assessment of likeness by reference to physical, commercial, functional and production substitutability, as set out in the Dumping and Subsidy Manual (chapter 2.3).

a. BSL offers for sale like or directly competitive goods

In physical and metallurgical terms, the exemption goods are conventional HRC. They are described by Baosteel as hot rolled coils and sheets suitable for construction and infrastructure applications.⁶ They are manufactured to the same or equivalent grades and standards, fall within the same dimensional ranges, and exhibit the same mechanical properties as conventional BSL HRC of the corresponding specification.

b. Carbon accounting

The only distinction advanced by Baosteel is a reduced carbon footprint in the production process. This is a carbon-accounting attribute of how the goods are made, but it is not observable or quantifiable in the physical goods themselves. BSL submits that it does not affect the form, fit, function, performance, dimensional tolerances or end-use of the HRC.

A purchaser of HRC receives identical product performance whether or not the coil carries the BeyondECO designation. For the purpose for which the HRC is purchased and used, the two products are commercially substitutable and directly competitive.

BSL manufactures and offers for sale in Australia to all purchasers on equal terms under like conditions, having regard to the custom and usage of trade, HRC across the relevant grades and dimensions. That HRC is like or directly competitive to the exemption goods. The conditions in sections 8(7) and 10(8) are therefore not satisfied.

This was the position taken by BSL in its INV 658 submission; namely, that carbon footprint associated with the product does not affect the end-use of the product and that BSL's HRC is offered for sale on the relevant terms in the same way as the exemption goods.⁷

c. The low carbon attribute

Even if the carbon aspect were treated as relevant to an exemption, BSL submits that the asserted low-carbon attribute is relative, lacking transparency and may not, in any case, be physically present or embodied in the goods:

- Relativity: the carbon reduction is expressed as a reduction of ...30%–60%... against Baosteel's own conventional Chinese production route,⁸ in accordance with the applicable CISA group standard.⁹ It is not a claim that the exemption goods have a lower absolute emissions intensity than HRC produced by any other manufacturer, including BSL.
- Transparency: BSL submits that the carbon claim is not transparent. The baseline definition, system boundaries, allocation rules and underlying assumptions are not publicly disclosed, which prevents independent assessment of the comparability and robustness of the claim.

The only verified product carbon footprint figure publicly available relates to the BeyondECO-30% product at 1.557 t CO₂e per tonne for a defined site and period;¹⁰ the ...up to 60%... figure asserted in the application is unsubstantiated on the public record. No published EPD under a recognised EPD program has been identified for the exemption goods, which BSL considers to be a material gap where product carbon emissions claims are relied upon to distinguish otherwise equivalent HRC.

⁶ Baosteel exemption application, p. 1.

⁷ The INV 658 submission, EPR folio no. 37.

⁸ Baosteel exemption application, p. 1, 2.

⁹ Refer <https://news.qq.com/rain/a/20241023A09G0W00>

¹⁰ Refer https://www.industry.gov.au/sites/default/files/adc/public-record/2026-02/658---39---submission---exporter---baosteel-companies---non-confidential-attachment-c---hrc-p2qhg-certificate_beyondco-r--30-product_en.pdf.

- Mixed inputs: where production draws on mixed raw material inputs and the reduction is allocated to particular batches on a mass-balance basis, the emissions reduction may not be physically embodied in, or uniquely attributable to, the coil actually delivered.

On this basis, the delivered exemption goods will be physically indistinguishable from conventional HRC, with the only differentiating feature being marketing claims and an accounting certificate rather than any difference in the goods. This does not establish that like or directly competitive goods are unavailable in Australia.

d. Comparable carbon-accounting approaches are available to BSL

BSL also submits that similar product carbon-footprint methodologies are available to BSL for the allocation of verified site or system-level emissions reductions to steel products.¹¹ To the extent that the exemption claim relies upon a carbon-accounting methodology, BSL is not prevented from applying comparable approaches to Australian steel products.

The absence of a comparably branded low-carbon emission HRC offering by BSL reflects commercial and operational choice, rather than any inability to apply comparable carbon accounting methodologies.

e. The exemption goods cannot be objectively distinguished from conventional HRC

BSL submits that the exemption goods would be indistinguishable from conventional HRC of the same grade and dimensions at the point of importation. The commercial and technical documentation ordinarily accompanying imported steel products (including mill certificates, product specifications, inspection certificates and test certificates) would describe the exemption goods in terms identical to conventional HRC of the corresponding specification.

The only claimed distinction is the BeyondECO brand and an associated carbon-accounting claim, neither of which appears in, nor can be verified from, the goods' own technical documentation, and neither of which supplies any objective physical criterion by which a qualifying coil could be identified.

BSL submits that the exemption goods cannot be objectively distinguished from conventional HRC at the point of importation. The difficulty in identifying the exemption goods at the border is further evidence that they are like or directly competitive to BSL's HRC. The standard industry nomenclature used to describe HRC therefore supports the conclusion that the goods are the like or directly competitive.

BSL also submits that the exemption goods cannot be objectively identified by reference to any physical characteristic, technical specification or other objectively verifiable criterion. As the exemption goods cannot be distinguished from conventional HRC by ordinary technical or commercial documentation, it would be difficult for the Australian Border Force to verify whether a given coil qualifies for the exemption. An exemption defined by reference to a brand and an unverifiable carbon-accounting claim, rather than objective product characteristics, would create a risk that HRC otherwise subject to measures may enter free of duty. An exemption framed in this way should not be recommended.

4. Conclusion

BSL submits that like or directly competitive HRC goods are offered for sale in Australia by BSL to all purchasers on equal terms under like conditions, having regard to the custom and usage of trade, and that the conditions in sections 8(7) and 10(8) of the Dumping Duty Act are not satisfied.

¹¹ Refer <https://www.bluescope.com/news/FY2025-BlueScope-Sustainability-Report-Suite-Published> which details the progress BSL has made on climate and sustainability initiatives.



BSL accordingly requests that the Commissioner recommend to the Minister that the exemption sought in respect of the BeyondECO low carbon emission HRC not be granted.

For and on behalf of BlueScope Steel Limited.