Australian Government
Department of Industry, Science and Resources

Anti-Dumping Commission

CUSTOMS ACT 1901 - PART XVB

STATEMENT OF ESSENTIAL FACTS
NO. 698

INQUIRY INTO THE CONTINUATION OF ANTI-DUMPING MEASURES ON ALUMINIUM ZINC COATED STEEL ≥ 600 mm

EXPORTED TO AUSTRALIA FROM

THE REPUBLIC OF KOREA AND THE SOCIALIST REPUBLIC OF VIETNAM

24 September 2026

SEF 698 – Aluminium zinc coated steel ≥ 600 mm – Korea and Vietnam

CONTENTS

ABBREVIATIONS

$	Australian dollars
ABF	Australian Border Force
ABF import database	Australian Border Force import database
ADN	Anti-Dumping Notice
ADRP	Anti-Dumping Review Panel
AFP	anti-fingerprint
aluminium zinc coated steel	aluminium zinc coated steel of a width equal to or greater than 600 mm
AM	aluminium magnesium (coating type)
AS	Australian Standard
AUD	Australian dollar
AZ	aluminium zinc (coating type)
BlueScope	BlueScope Steel Limited, or the applicant
BMT	base metal thickness
China	People’s Republic of China
CRC	cold rolled coil
CTMS	cost to make and sell
CY	calendar year
DITH	DITH Australia Pty Ltd
Dongkuk	Dongkuk Coated Metal Co Ltd
EPR	electronic public record
FOB	free on board
FIS	free into store
GL	aluminium zinc alloy coated steel
Hoa Phat	Hoa Phat Steel Sheet Co. Ltd
Hoa Sen	Hoa Sen Group Joint Stock Company
HRC	hot rolled coil
IDD	interim dumping duty
IPP	import parity pricing
injury analysis period	1 January 2022 to 31 December 2025
inquiry period	1 January 2025 to 31 December 2025
KG Dongbu	KG Dongbu Steel Co., Ltd
Korea	Republic of Korea
Macsteel	Macsteel International Australia Pty Limited
Material Injury Direction	*Ministerial Direction on Material Injury 2012*
MCC	model control codes
MT	metric tonnes

Nam Kim	Nam Kim Steel Joint Stock Company
NIP	non-injurious price
OCOT	ordinary course of trade
OECD	Organisation for Economic Co-operation and Development
PMS	particular market situation
REP 558	*Anti-Dumping Commission Report No. 558*
REP 689	*Anti-Dumping Commission Report No. 689*
REQ	response to exporter questionnaire
RIQ	response to importer questionnaire
ROI	return on investment
SEF	statement of essential facts
SG&A	selling, general and administrative expenses
subject countries	Korea and Vietnam
the Act	*Customs Act 1901*
the commission	Anti-Dumping Commission
the Commissioner	Commissioner of the Anti-Dumping Commission
the goods	the goods the subject of the application (also referred to as the goods under consideration or GUC)
the Manual	*Anti-Dumping Commission Dumping and Subsidy Manual (November 2018)*
the measures	the anti-dumping measures currently applicable to exports of aluminium zinc coated steel (≥600 mm) to Australia from Korea and Vietnam that are due to expire on 24 December 2026
the Minister	Minister for Industry and Innovation and Minister for Science
USP	unsuppressed selling price
Vietnam	Socialist Republic of Vietnam
WTO	World Trade Organization
ZA	zinc aluminium (coating type)

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 aluminium zinc coated steel of a width equal to or greater than 600 millimetres (the goods or the subject goods) exported to Australia from the Republic of Korea (Korea) and the Socialist Republic of Vietnam (Vietnam) (the subject countries).

The measures are in the form of a dumping notice (the notice) and are due to expire on 24 December 2026.[1]

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 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 16 November 2026.[2]

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 proposes to recommend that the Minister declare, in accordance with section 269ZHG(1)(b), that they have decided to secure the continuation of the measures in relation to exports of the goods to Australia from Korea and Vietnam.

The Commissioner proposes to recommend that the Minister determine that the dumping duty notice continues in force after 24 December 2026, but that, after that date, the notice has effect as if different variable factors had been ascertained.

The proposed recommendations are made on the basis that, on the evidence currently available, the Commissioner is preliminarily satisfied that the expiration of the measures on the goods exported to Australia from Korea and Vietnam would likely lead to a continuation or recurrence of dumping and the material injury that the measures are intended to prevent.

The Commissioner's proposed recommendation to the Minister concerning different variable factors will result in a change to the current effective rates of interim duties

[1] Section 269TM of the *Customs Act 1901* (the Act). All legislative references are to the *Customs Act 1901*, unless otherwise specified.
[2] Originally due 1 June 2026, the Commissioner extended the due date in Anti-Dumping Notice (ADN) 2026/069.

applying to the goods exported from Korea and Vietnam. Table 1 details the current measures and the proposed measures.

<table>
<tr><th>Country</th><th>Exporter</th><th>Current fixed rate of IDD (%)</th><th>Measure type</th><th>Proposed fixed rate of IDD (%)</th><th>Proposed measure type</th></tr>
<tr><td rowspan="3">Korea</td><td>KG Dongbu Steel Co., Ltd (KG Dongbu)</td><td>2.6%</td><td rowspan="3">Combination</td><td>2.2%</td><td rowspan="3">Combination</td></tr>
<tr><td>Dongkuk Coated Metal Co Ltd (Dongkuk)</td><td>3.9%</td><td rowspan="2">7.1%</td></tr>
<tr><td>Uncooperative and all other exporters</td><td>10.5%</td></tr>
<tr><td rowspan="4">Vietnam</td><td>Nam Kim Steel Joint Stock Company (Nam Kim Steel)</td><td colspan="4">Exempt</td></tr>
<tr><td>Hoa Sen Group Joint Stock Company (Hoa Sen)</td><td>8.1%</td><td rowspan="3">Combination</td><td>0.0%</td><td>Floor price</td></tr>
<tr><td>Hoa Phat Steel Sheet Co. Ltd (Hoa Phat)</td><td>5.5%</td><td rowspan="2">5.1%</td><td rowspan="2">Combination</td></tr>
<tr><td>Uncooperative and all other exporters</td><td>13.1%</td></tr>
</table>

Table 1: Current and proposed measures

1.3 Background to the inquiry (chapter 2)

The Commissioner initiated this inquiry on 10 February 2026 and established an inquiry period of 1 January 2025 to 31 December 2025 (the inquiry period).[3] BlueScope Steel Limited (BlueScope) is the applicant seeking to continue the measures.[4]

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

1.3.1 Conduct of the inquiry

Detailed information concerning the commission’s conduct of the inquiry is provided in section 2.4 of this SEF.

At initiation of this inquiry, the commission invited the Australian industry, exporters and importers to provide information and evidence relevant to this inquiry. The commission also issued questionnaires relevant to the assessment of whether the continuation of the measures is justified and for assessing the variable factors for the inquiry period.

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.

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[3] ADN 2026/027 on the electronic public record (EPR) for case 698, document no. 2.
[4] EPR 698 document no. 1.

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

The Commissioner preliminarily finds locally produced goods are 'like' to the goods the subject of the application. The Commissioner is satisfied that there is an Australian industry comprising BlueScope, producing those like goods.

1.4.2 Australian market (chapter 4)

The Australian industry and importers sourcing the goods from subject and non-subject countries continued to supply the Australian market during the inquiry period.

In assessing the characteristics of the Australian market, the commission preliminarily found that during the inquiry period:

- the Australian market for the goods continued to be supplied by BlueScope and importers of the goods from Korea and Vietnam, as well as Taiwan, Indonesia, Thailand and other countries
- the building and construction industry remained the principal market segment for the goods, with additional demand from the general manufacturing sector
- Australian-produced and imported the goods continued to compete directly in the same market segments and were generally interchangeable
- the Australian market remained highly competitive, with suppliers competing primarily on price and service
- the Australian market size declined between CY22 and CY23, remained relatively stable in CY24 and partially recovered in CY25, although it contracted overall during the injury analysis period, and
- the market dynamics in Australia remained broadly consistent with those observed in the original investigation with the goods continuing to operate in a commodity market where price is the primary factor influencing purchasing decisions.

1.4.3 Economic condition of the Australian industry (chapter 5)

The Commissioner preliminarily finds that the economic condition of the Australian industry presents a mixed picture. While some measures improved over the injury analysis period, overall, the industry remains weaker than at the commencement of the injury analysis period.

The commission found that sales volumes, market share, capacity utilisation, employment and capital investment increased over the injury analysis period. These improvements indicate that the Australian industry strengthened its market position while the measures remained in place.

However, selling prices declined during the injury analysis period. Revenue, productivity and return on investment (ROI) also declined, while profit and profitability weakened in CY25 following an improvement in CY24. Although profit and profitability remained above CY23 levels, the overall financial performance of the Australian industry weakened during the latter part of the injury analysis period.

Having regard to these factors, the Commissioner preliminarily finds that, although the Australian industry improved its sales volumes and market position during the injury analysis period, its overall economic condition remains weaker than at the commencement of the injury analysis period.

1.4.4 Dumping during the inquiry period (chapter 6)

The Commissioner preliminarily finds that the variable factors relevant to the determination of duty payable on exports of the goods from Korea and Vietnam have changed since they were last ascertained.

The commission assessed whether exports of the goods from Korea and Vietnam were dumped during the inquiry period. The preliminary dumping margins for the goods exported from Korea and Vietnam during the inquiry period are set out in Table 2.

Country	Exporter	Dumping margin
Korea	KG Dongbu	2.2%
	Uncooperative and all other exporters	7.1%
Vietnam	Hoa Sen Group	-0.9%
	Uncooperative and all other exporters	5.1%

Table 2: Dumping margins

1.4.5 Likelihood of dumping and material injury continuing or recurring (chapter 7)

The Commissioner’s preliminary view is that the expiry of the measures applying to the goods exported to Australia from Korea and Vietnam would likely lead to a continuation or recurrence of dumping and the material injury that the measures are intended to prevent.

In assessing the likelihood that dumping and material injury would continue or recur, the commission preliminarily found that:

- exporters from Korea and Vietnam maintained access to the Australian market throughout the inquiry period and continued to supply, or retained the ability to supply, Australian customers through established distribution channels
- exporters from Korea and Vietnam continued to compete in a price-sensitive Australian market, with import prices remaining competitive and Korean imports undercutting the Australian industry during the inquiry period
- exporters from Korea and Vietnam maintained significant excess production capacity relative to the size of the Australian market and have both the ability and incentive to increase exports to Australia should the measures expire, and
- the expiry of the measures would likely result in increased volumes of dumped imports, leading to price depression or price suppression, or both, and lost sales volumes and market share for the Australian industry.

Having considered the continued presence of Korean and Vietnamese exporters in the Australian market, their established distribution networks, the existence of significant excess production capacity, ongoing price competition and the observed pricing behaviour during the inquiry period, the Commissioner considers that the expiry of the measures would likely lead to a continuation or recurrence of dumping by exporters from Korea and Vietnam and material injury to the Australian industry.

1.4.6 Non-injurious price (chapter 8)

Having regard to the available information, the commission has calculated a preliminary non-injurious price (NIP) for the goods exported to Australia, being the minimum price necessary to prevent the injury, or a recurrence of the injury, to the Australian industry caused by the dumping of the goods exported from the subject countries.

The Commissioner has found that the NIP relevant to the determination of interim dumping duty (IDD) payable has changed since it was last ascertained. The Commissioner preliminarily finds that, for the goods exported from the subject countries, the NIP is greater than the normal value of those goods. Accordingly, the NIP is not the operative measure, and the Minister is not required to have regard to the desirability of specifying a lesser amount of duty in respect of the goods exported by each exporter.

1.4.7 Form of measures (chapter 9)

The Commissioner preliminarily finds that the variable factors relevant to the determination of duty payable on the goods exported to Australia from Korea and Vietnam have changed. Consequently, the effective rates of IDD payable on the goods exported from each exporter have changed (Table 1 refers).

The Commissioner proposes to recommend that the combination duty method continue to be used to calculate the IDD payable on the goods exported from Korea by KG Dongbu Steel Co., Ltd (KG Dongbu) and uncooperative and all other exporters, and on the goods exported from Vietnam by uncooperative and all other exporters.

The Commissioner also proposes to recommend that the floor price duty method continue to be used to calculate the IDD payable on the goods exported from Vietnam by Hoa Sen Group (Hoa Sen), having regard to the negative dumping margin found during the inquiry period. Nam Kim Steel Joint Stock Company (Nam Kim) remains exempt from the measures.

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 14 October 2026, which is 20 days after the SEF is placed on the public record.[5]

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.[6]

Submissions may be lodged by email to investigations1@adcommission.gov.au.

Alternatively, interested parties may post submissions to:

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[5] Section 269ZHE(3).
[6] Section 269ZHE(4).

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.[7]

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.

1.6 Final report to the Minister

The Commissioner must report to the Minister by no later than 16 November 2026.[8] The final report will contain the Commissioner’s final recommendations about the continuation of the measures.

[7] A guide for making submissions is available here.
[8] The Commissioner’s final report and recommendations must be provided to the Minister within 155 days after the publication of a notice under section 269ZHD(4) or such longer period as allowed.

2 BACKGROUND

2.1 Legislative framework

The procedures to be followed by the Commissioner in an application for the continuation of the measures 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 measures unless the Commissioner is 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.

2.1.2 Statement of essential facts (SEF)

Section 269ZHE(1) requires the Commissioner to publish a SEF 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 the 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 20 November 2025, the Commissioner published a notice[9] 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,[10] or

[9] In accordance with section 269ZHB(1), for the relevant expiry notice see ADN 2025/112.
[10] Section 269ZHB(1)(b)(i).

- persons representing the whole or a portion of the Australian industry producing like the goods to the goods covered by the measures.[11]

On 16 January 2026, BlueScope lodged an application for the continuation of the measures on the goods exported to Australia from Korea and Vietnam.[12]

The Commissioner was satisfied that:

- the application complied with section 269ZHC (content and lodgement requirements),[13] 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.[14]

The Commissioner therefore decided not to reject the application and published Anti-Dumping Notice (ADN) 2026/027 initiating the present inquiry on 10 February 2026.[15]

2.3 Current measures

2.3.1 Background

The measures were initially imposed by public notice on 24 December 2021 by the relevant Minister following the original investigation (Investigation 558). The findings of that original investigation are detailed in *Anti-Dumping Commission Report No. 558* (REP 558).[16]

The Anti-Dumping Review Panel (ADRP) initiated a review of the Minister's decision on 21 December 2021, following an application from Hoa Sen and Macsteel. For the reasons set out in its report[17], the ADRP recommended that the reviewable decision be affirmed by the Minister.

Table 3 below summarises the measures currently applying to exports of the goods to Australia from the subject countries. Entities identified in the Dumping Commodity Register (DCR) as entities through which the goods attributable to a particular exporter may be supplied are included for convenience, including to assist entities that may have an interest in the measures to identify the potential relevance of the inquiry.

Further detail about these measures, including the entities through which the goods attributable to a particular exporter may be supplied, can be found on the DCR on the commission's website.[18]

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[11] Section 269ZHB(1)(b)(ii).
[12] Under section 269ZHC, for the non-confidential version of the application see EPR 698, document no. 1.
[13] Section 269ZHD(2)(a).
[14] Section 269ZHD(2)(b).
[15] EPR 698, document no. 2.
[16] EPR 558, document no. 71.
[17] ADRP Report No. 151.
[18] Dumping Commodity Register.

Country	Exporter	Method	IDD rate
Korea	KG Dongbu	Combination	2.6%
	Dongkuk Coated Metal[19]		3.9%
	Uncooperative and all other exporters		10.5%
Vietnam	Nam Kim Steel	Exempt	
	Hoa Phat Steel Sheet	Combination	5.5%
	Hoa Sen Group		8.1%
	Uncooperative and all other exporters		13.1%

Table 3: Current measures applying to exports of the goods

2.3.2 Other cases

The commission has conducted numerous cases relating to the goods. A summary of these cases is set out in Table 4 below. The summary focuses on cases concerning exporters from the countries relevant to this inquiry and therefore excludes exemption inquiries and accelerated reviews. The summary includes reviews of measures for exporters relevant to this investigation.

Case type and number	ADN number	Date	Country of export	Findings
190 and 193 (Investigation)	2013/066 [20]	5 August 2013	China, Korea	• IDD imposed on China and Korea • Interim countervailing duty imposed on China • Measures not imposed on Taiwan
456 (Review) and 450 (Continuation)	2018/095 (Review)[21] 2018/097 (Continuation)[22]	12 July 2018	China, Korea	• IDD varied for China • Measures ceased for Korea
558 (Investigation)	2021/147[23]	24 December 2021	Korea, Vietnam	• IDD imposed on Korea and Vietnam

Table 4: Other cases relating to the goods

Further information regarding the measures on the goods is also available on the commission's website.[24]

[19] Formerly Dongkuk Steel Mill Co Ltd.
[20] EPR 190, document no. 143.
[21] EPR 456, document no. 019.
[22] EPR 450, document no. 013.
[23] EPR 558, document no. 72.
[24] Available on the commission's website.

2.4 Conduct of the inquiry

The inquiry period for this continuation is 1 January 2025 to 31 December 2025. The commission invited exporters and importers of the goods to provide information relevant to this period.

To evaluate the performance of the Australian industry following the imposition of measures, the commission examined relevant indicators across the injury analysis period, including the years preceding and following the measures.

2.4.1 Questionnaires and verification

Australian industry

The Commissioner is satisfied that the applicant BlueScope is the sole member of the Australian industry producing like goods to the goods the subject of this inquiry.[25] The applicant manufactures the goods in Australia, with facilities in Port Kembla, New South Wales.

At initiation, BlueScope was issued an Australian Industry Questionnaire and submitted a response. The non-confidential version of the response is available on the EPR.[26]

The commission verified the information through a mixed verification approach, including onsite verification, virtual discussions, and comparative analysis. The verification file note is available on the EPR.[27]

Importers

The commission identified several importers in the Australian Border Force (ABF) import database (ABF import database) that imported the goods from Korea and Vietnam during the inquiry period.

The commission sent questionnaires to all identified importers and published a copy of the importer questionnaire on the commission's website for completion by other importers who were not contacted directly.

The commission received two responses to the importer questionnaire (RIQ) by the due date from:

- DITH Australia Pty Ltd (DITH)
- Macsteel International Australia Pty Limited (Macsteel)

[25] See chapter 3.
[26] EPR 698, document no. 5.
[27] EPR 698, document no. 10.

Cooperative exporters[28]

The commission used the ABF import database to identify exporters of the goods during the inquiry period. The commission sent exporter questionnaires to all identified exporters from Korea and Vietnam if contact details were found.

The commission also placed a copy of the exporter questionnaire on the commission's website for completion by other exporters who were not contacted directly.

The commission received two responses to the exporter questionnaire (REQ) listed in Table 5. The non-confidential versions of the REQs are available on the commission's website.[29]

EPR 698 document no.	Interested party	Date received
3	Hoa Sen	9 April 2026
4	KG Dongbu	9 April 2026

Table 5: Questionnaire responses received from interested parties

The commission conducted an onsite verification visit at Hoa Sen's premises and a virtual verification of KG Dongbu to verify the information submitted in their questionnaire responses. The verification reports are available on the EPR.[30]

Uncooperative exporters and all other exporters

Section 269T(1) states that an exporter is an 'uncooperative exporter' where the Commissioner is satisfied that an exporter of the 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.

The Commissioner considers that all exporters from the subject countries not listed in Table 3 are 'uncooperative and all other exporters' in this inquiry. These exporters did not provide an REQ.

2.4.2 Submissions received from interested parties

The commission received the submissions listed in Table 6 before publishing this SEF. Non-confidential versions of these submissions are available on the EPR.

[28] 'Cooperative exporter' is defined in section 269T(1).
[29] Available on the commission's website.
[30] EPR 698, document no. 11 and document no. 12.

EPR document no.	Interested party and topic of submission	Date received
7	BlueScope – Exporter verification briefing	15 June 2026
8	BlueScope – Particular market situation (PMS) in the Korean hot rolled coil (HRC) market	19 June 2026
9	KG Dongbu – Response to BlueScope's Korean HRC PMS claim	29 June 2026
13	BlueScope – Supplementary Korean HRC PMS submission	15 September 2026

Table 6: Submissions received from interested parties

The Commissioner must have regard to any submissions relating generally to the inquiry that are received by the Commissioner within 37 days after the publication of the initiation notice under section 269ZHD(4).[31] The Commissioner is not obliged to have regard to any submissions relating generally to the inquiry that are received after the end of the period that is 37 days after the publication of the initiation notice if to do so would, in the Commissioner's opinion, prevent the timely placement of the SEF on the public record.[32]

<u>BlueScope's first two submissions</u>

On 15 June 2026, BlueScope made a submission regarding the REQs submitted by KG Dongbu and Hoa Sen. The commission considered the issues raised by BlueScope in this submission and during the pre-verification exporter briefing during verification. The published reports relating to the verification of KG Dongbu[33] and Hoa Sen[34] summarise the findings of these verifications.

On 19 June 2026, BlueScope submitted[35] that "*a particular market situation (PMS) exists in the Korean domestic market for hot rolled coil, the principal raw material input into* aluminium zinc coated steel*, with the consequence that the recorded HRC costs of Korean producers do not reflect, or are unlikely to reflect, competitive market costs and cannot be used to determine a competitive normal value for* aluminium zinc coated steel *under section 269TAC(1)"*. BlueScope submitted that Korean HRC prices are influenced by imports of HRC from People's Republic of China (China) and therefore do not reflect competitive market conditions. BlueScope argued that findings made by the commission in previous inquiries concerning HRC[36] and HRC-derived steel products, specifically precision pipe and tube[37], support a finding that Korean HRC costs do not reflect competitive market costs and that normal values should instead be determined using a constructed cost of production applying an external HRC benchmark.

31 Section 269ZHE(2)(a)(ii).
32 Section 269ZHE(3).
33 EPR 698, document no. 11.
34 EPR 698, document no. 12.
35 EPR 698, document no. 8.
36 EPR 658
37 EPR 689

KG Dongbu's submission

On 29 June 2026, KG Dongbu responded[38] to BlueScope's submission and opposed the PMS claim. KG Dongbu submitted that BlueScope had not provided evidence specific to the Korean aluminium zinc coated steel market and had not established a sufficient evidentiary basis for the commission to undertake a PMS assessment. KG Dongbu argued that the claim was directed at the cost of an upstream input, namely HRC, rather than the domestic prices of the goods under consideration and that BlueScope had not demonstrated any connection between the alleged distortion in HRC prices and the domestic selling prices of the goods in Korea.

KG Dongbu further submitted that the legislative framework and the commission's guidance regarding PMS assessments are directed toward circumstances involving government influence affecting market conditions in the country of export. KG Dongbu argued that BlueScope's claim concerning the influence of Chinese HRC imports on Korean prices did not engage that framework and did not provide a basis for disregarding Korean domestic prices or recorded production costs. KG Dongbu submitted that normal values should continue to be determined using exporters' domestic sales and recorded costs in accordance with the ordinary methodology prescribed by the Customs Act.

BlueScope's third submission

On 15 September 2026, BlueScope lodged a supplementary submission[39] concerning its claim that a PMS exists in the Korean aluminium zinc coated steel market due to the influence of Chinese HRC imports on Korean HRC prices in response to KG Dongbu's submission and the commission's verification report of KG Dongbu. BlueScope acknowledged that previous findings, including REP 590, REP 610 and REP 611, treated Korean HRC prices as reflecting normal competitive conditions and as unaffected by Chinese prices during the earlier periods than the inquiry period in this case. However, BlueScope submitted that more recent findings in *Anti-Dumping Commission Report No. 689* (REP 689)[40] and analysis contained in a confidential attachment to the submission support further examination of whether Chinese HRC pricing conditions were transmitted into the costs and domestic prices of Korean aluminium zinc coated steel. BlueScope argued that the commission should assess whether these circumstances satisfy the conditions set out on section 269TAC(2)(a)(ii) that would render Korean domestic sales unsuitable for determining normal value under section 269TAC(1) and, if normal value is constructed, whether recorded HRC costs reasonably reflect competitive market costs. BlueScope also submitted that the findings in the verification report for KG Dongbu do not finally resolve the PMS issue and requested that the commission expressly address these matters in the SEF and final report.

The Commissioner's opinion under subsection 269ZHE(3)

The Commissioner notes that BlueScope's PMS submissions were received on 19 June 2026 and 15 September 2026, 92 days and 180 days respectively after the specified date

[38] EPR 698, document no. 9.
[39] EPR 698, document no. 13.
[40] EPR 689, document no. 17.

of 19 March 2026, being 37 days after initiation, for interested parties to provide submissions in the inquiry.

The Commissioner considered whether to have regard to the submissions pursuant to subsection 269ZHE(3) of the Customs Act. The Commissioner had regard to the timing of the submissions, the nature of the issues raised, the evidentiary basis supporting the claim, and the impact that consideration of the claim would have on the conduct and timely completion of the inquiry.

The Commissioner notes that the Korean PMS claim was first raised on 19 June 2026, 92 days after the specified date for interested-party submissions. A consideration of whether there is a situation in the Korean market such that sales in that market are not suitable for determining normal value under section 269TAC(1), in accordance with section 269TAC(2)(a)(ii), requires an in-depth analysis of the operation of the Korean market for the goods (aluminium zinc coated steel), and a thorough consideration of whether there are any factors in that market that would lead to a finding that there is a particular market situation.

To ensure a proper consideration of the facts and procedural fairness is afforded to all parties, the commission's usual practice in considering whether there is a situation in an exporting market is to:

- issue questionnaires at the initiation of the investigation to all interested parties (including the government of the exporting market) seeking information specifically related to the operation of the market for the goods
- consult with the government of the exporting country
- publish questionnaire responses on the public record to enable interested parties to respond to the claim, and
- test the data provided through verification or other similar means.

The Commissioner has considered the time needed to undertake those steps, the timing of the receipt of the submission from BlueScope, and the time remaining before the expiry of the measures subject to this inquiry on 24 December 2026 and formed the opinion that undertaking those steps would materially expand the scope of the inquiry and could not reasonably be completed within a timeframe that would not prevent the timely placement of the SEF on the public record.

The Commissioner has also considered the evidence provided with the submission and concluded that the submissions did not provide a sufficient evidentiary basis to warrant delaying the publication of the SEF on the public record in order to conduct a proper assessment of the alleged situation in the market for the goods in Korea at this stage of the inquiry.

Having regard to the time needed to properly consider the alleged situation in the Korean market and the insufficiency of the evidence provided, the Commissioner has formed the opinion that having regard to the submissions would prevent the timely placement of the SEF on the public record. The Commissioner has therefore exercised their discretion under subsection 269ZHE(3) not to have regard to the submissions.

3 THE GOODS, LIKE GOODS AND THE AUSTRALIAN INDUSTRY

3.1 Preliminary finding

The Commissioner preliminarily finds that:

- locally manufactured goods are ‘like’ to the goods subject to the measures
- there is an Australian industry, of which BlueScope is the sole member, producing 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 measures are intended to prevent, the Commissioner first 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).[41]

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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[41] Available here on the commission’s website.

3.3 The goods subject to the measures

3.3.1 The goods description

As specified in the initiation notice, ADN 2026/027, the goods subject to the measures and this application are as follows:

Flat rolled iron and steel products (whether or not containing alloys), of a width equal to or greater than 600 millimetres ("mm"), plated or coated with aluminium-zinc alloys, not painted, and whether or not including resin coating.

Further information on the goods

Trade or further generic names often used to describe the subject goods include:

– ZINCALUME® steel
– GALVALUME® steel
– Aluzinc, Supalume, Superlume, ZAM, GALFAN
– Zinc aluminium coated steel
– Aluminium zinc coated steel
– Aluminium zinc magnesium coated steel
– Alu-Zinc Steel sheet in Coils
– Al/Zn, and
– Hot Dipped 55% Aluminium-Zinc Alloy coated steel sheet in coil.

The imported goods the subject of this application covers aluminium zinc coated steel whether or not including any combination of surface treatment. For example, whether passivated (often referred to as chromated), resin coated or not resin coated (often referred to as Anti-Finger Print ("AFP") or not AFP), oiled or not oiled, skin-passed or not skin-passed.

Excluded from the goods description of this application is un-passivated (often referred to as unchromated) aluminium zinc coated steel.

The amount of aluminium zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m^2), with the prefix being AZ (aluminium zinc). Common coating masses used are: AZ200, AZ150, AZ100, and AZ70.

There are several relevant International Standards for aluminium zinc coated steel, covering the full range of products via specific grade designations, and including the recommended or guaranteed properties of each of those product grades.

These relevant standards are noted in the table below.

International Standards	Product Grades
General and Commercial Grades	
AS/NZS 1397	*G1, G2*
ASTM A792	*CS, type A, B and C*
EN 10346	*DX51D, DX52D*
JIS 3321	*SGLCC*
Forming, Pressing and Drawing Grades	
AS/NZS 1397	*G3*
ASTM A792	*FS, DS*
EN 10346	*DX53D*
JIS 3321	*SGLCD, SGLCDD*
Structural Grades	
AS/NZS 1397	*G250, G300, G350, G450, G550*
ASTM A792	*33 (230), 37(255), 40 (275), 50 (340), 55 (380), 80 (550)*
EN 10346	*S220GD, S250GD, S280GD, S320GD, S350GD, S550GD*
JIS 3321	*SGLC400, SGLC440, SGLC490, SGLC570*

Table 7: International steel standards

3.3.2 Tariff classification

The goods are generally classified according to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*:[42]

Tariff subheading	Statistical code	Description
7210.61	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated – Plated or coated with aluminium-zinc alloys	
7210.61.00	60	*Of a thickness of less than 0.5 mm*
7210.61.00	61	*Of a thickness of 0.5 mm or more but less than 1.5 mm*
7210.61.00	62	*Of a thickness of 1.5 mm or more*
7225.99	Flat-rolled products of other alloy steel of a width of 600 mm or more	
7225.99.00	39	*--Other*

Table 8: Tariff classification of the goods

3.4 Proposed model control codes

The proposed model control code (MCC) structure described in ADN 2026/027 (and in Table 9) describes the key characteristics of the goods.

[42] These tariff classifications and statistical codes may include goods that are both subject and not subject to the 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 measures.

Item	Category	Subcategory	Identifier	Sales data	Cost data	Key category
1	Prime	Prime	P	Mandatory	Not applicable	Yes
		Non-Prime	N			
2	Coating mass	≤ 100 g/m²	1	Mandatory	Mandatory	Yes
		>100 g/m² to ≤ 165 g/m²	2			
		>165 g/m²	3			
3	Steel grade	G2 / SGLCC	A	Mandatory	Mandatory	Yes
		G3 / SGLCD	B			
		G250 / SGLC 340	C			
		G300 / G350 / SGLC 400 / SGLC 440 / SGLC 490	D			
		G450 / G500	E			
		G550 / SGLC 570	F			
		Other	G			
4	Base metal thickness (BMT)	< 0.40 mm	1	Mandatory	Mandatory	Yes
		≥ 0.40 mm to < 0.50 mm	2			
		≥ 0.50 mm to < 0.75 mm	3			
		≥ 0.75 mm to < 1.00 mm	4			
		≥ 1.00 mm to < 2.00 mm	5			
5	Width	< 600 mm	1	Mandatory	Mandatory	No
		≥ 600 mm	2			
6	Form	Coil	C	Mandatory	Optional	No
		Sheet	S			

Table 9: Proposed MCC structure

3.5 Like goods

The Commissioner is satisfied that the domestically produced goods are like goods to the goods under consideration (GUC) because the following characteristics of each closely resemble each other:

- physical likeness
- commercial likeness
- functional likeness, and
- production likeness.[43]

The commission considers that the goods the Australian industry produced have characteristics identical to, or closely resembling, the goods exported to Australia.

The commission considers that:

- the goods and the domestically produced goods are physically alike, as they have the same or similar physical characteristics
- the goods and the domestically produced goods are commercially alike, as they are sold to common users and directly compete in the same market
- the goods and the domestically produced goods are functionally alike, as they have a similar range of end uses, and
- the goods and the domestically produced goods are manufactured in a similar manner.

[43] As defined in section 269T(1).

Based on the analysis above, the Commissioner is satisfied that the Australian industry produces goods that are 'like goods' to the goods the subject of the application, as defined in section 269T.

3.5.1 Physical likeness

The primary physical characteristics of the goods that BlueScope produces are similar to the primary physical characteristics of the goods exported from the subject countries, notwithstanding variations in the technical specifications of those goods (i.e. grade or thickness).

3.5.2 Commercial likeness

In the Australian market, the goods that BlueScope produces compete directly and indirectly with the goods imported from the subject countries. BlueScope and importers sell the goods to common customers and on similar commercial terms or conditions.

Based on this, the commission considers the locally produced goods to be commercially like to the goods the subject of the measures.

3.5.3 Functional likeness

The goods that BlueScope produces are 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 this, 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.

3.5.4 Production likeness

The commission considers that the locally produced goods are produced using similar production processes and raw material inputs to the goods the subject of the measures. This is based on the production processes the commission observed during verification activities and based on the commission's understanding of the production process from previous cases.

3.6 Australian industry – domestic production

3.6.1 Production process

The production process of BlueScope's like goods comprises the steps listed below.

- The input steel product is slab which is heated in a furnace to around 1,200°C and then passed through a series of rollers at pressure to reduce the thickness from 230 mm to below 5 mm. It is then cooled under controlled conditions and wound up as a coil of steel (HRC).
- The HRC is then passed through hydrochloric acid baths to remove surface scale and edge trimmed to the customer-specified width.

- The processed HRC is cold rolled (reduced in thickness when passing through a series of rollers at ambient temperature) to the customer's requirements, generally 0.3 to 3.5 mm BMT.
- The cold rolled coil (CRC) is used as the input feed material to the continuous coating line where the coil is run continuously through several key processes. The coil is cleaned and annealed before passing through a molten bath containing zinc, antimony and other trace metals. Then, once coated, the product can receive various surface treatments, according to the customer's specific requirements.
- Additional production steps may be undertaken according to a range of product options. These include a 'skin-passed' or 'un-skin passed' surface, chromated or unchromated surface, an 'oiled surface' or 'dry surface', or 'resin coated' (or 'AFP' coating) or 'not resin coated'.

3.6.2 Conclusion – Australian industry

Based on the findings above, the commission considers that goods the Australian industry produced have characteristics identical to, or closely resembling, the goods exported to Australia. The commission considers that:

- the goods and the domestically produced goods are physically alike, as they have the same or similar physical characteristics
- the goods and the domestically produced goods are commercially alike, as they are sold to common users and directly compete in the same market
- the goods and the domestically produced goods are functionally alike, as they have a similar range of end uses, and
- the goods and the domestically produced goods are manufactured in a similar manner.

Based on the analysis above, the Commissioner is satisfied that the Australian industry produces goods that are 'like goods' to the goods the subject of the application, as defined in section 269T.

4 AUSTRALIAN MARKET

4.1 Preliminary finding

The Commissioner preliminarily finds that the Australian industry and importers sourcing the goods from subject and non-subject countries continued to supply the Australian market during the inquiry period.

In assessing the characteristics of the Australian market, the commission preliminarily found that during the inquiry period:

- the Australian market for the goods continued to be supplied by BlueScope and importers of the goods from Korea and Vietnam, as well as Taiwan, Indonesia, Thailand and other countries
- the building and construction industry remained the principal market segment for the goods, with additional demand from the general manufacturing sector
- Australian-produced and imported goods continued to compete directly in the same market segments and were generally interchangeable
- the Australian market remained highly competitive, with suppliers competing primarily on price and service
- the Australian market size declined between CY22 and CY23, remained relatively stable in CY24 and partially recovered in CY25, although it contracted overall during the injury analysis period, and
- the market dynamics in Australia remained broadly consistent with those observed in the original investigation with the goods continuing to operate in a commodity market where price was the primary factor influencing purchasing decisions.

4.2 Approach to analysis

The analysis in this chapter is based on:

- information submitted by Australian industry
- data from the ABF import database
- information provided in the RIQs and REQs
- verified exporter data
- information obtained from REP 558[44]
- submissions from interested parties.

The commission examined the injury analysis period for the purposes of describing relevant aspects of the Australian market for the goods and for comparison to the original investigation.

[44] EPR 558, document no. 71.

4.3 Market structure

BlueScope, the sole member of the Australian industry, as well as manufacturers from other countries who export to Australian customers directly, or through intermediaries and distributors, supply the Australian market for the goods.

The two key segments for the goods in the Australian market are:

- the building and construction industry, consisting of residential construction and industrial or commercial construction, and
- the general manufacturing industry, mainly consisting of supplies to pipe and tube manufacturers and other equipment manufacturers.

The ease with which a customer can change supplier is dependent on the nature of the customer and their business. This is discussed below.

4.3.1 End use

In the building and construction industry, the goods are primarily used for roll-formed roof and wall cladding; rainwater goods, including guttering and downpipes; roof flashings and trims; residential roof trusses, roofing and ceiling battens, and house framing; structural wall sections and office wall framing; garden sheds; and garage door panels. In general manufacturing, the goods are primarily used in domestic appliances, hot water systems, cabinets, flues, ducting, grain silos and other manufactured articles. The building and construction industry accounts for the largest share of BlueScope's like-goods sales by volume, with general manufacturing accounting for the smaller share.

The goods produced in Australia and the imported goods are used interchangeably across both market segments in Australia.

4.3.2 Marketing and distribution

BlueScope sells the goods under several brands targeted at different market sectors. Its main like-goods brands are ZINCALUME® and TRUECORE®, with ZINCALUME® accounting for the largest sales volume relevant to this inquiry. The brands have the same active surface properties, but TRUECORE® is targeted at the residential framing market. It is slit to widths suited to framing applications and coated with a blue-tinted resin. Downstream fabricators and manufacturers may also slit BlueScope's like goods.

BlueScope primarily supplies Australian customers through national service centres and steel distributors, although some sales are made directly from its mills. Exporters generally sell the goods to Australian steel distributors, which then on-sell the goods to end-users. Exporters also make some direct sales to end-users.

4.4 Market competition

The commission understands that suppliers have limited scope to differentiate their offerings beyond price and service, and that customers can generally switch suppliers readily.

BlueScope sells a significant proportion of its like goods directly to Australian building product manufacturers. These manufacturers roll-form the goods into products such as roof cladding and distribute them to downstream customers, including builders and homeowners.

BlueScope also sells like goods through distributors and resellers, which on-sell the goods to the building and construction and general manufacturing industries.

Overseas producers generally supply Australian customers through steel distributors, including importers that participated in the inquiry. A smaller proportion of the goods is supplied directly from overseas mills to end-users or distributors. Overseas producers supply the same market segments as the Australian industry and, in some cases, the same customers. Importers often source the goods from multiple mills and countries.

4.5 Market demand

Demand for the goods is primarily driven by residential and commercial construction activity. Factors affecting construction activity therefore influence demand for BlueScope's like goods.

BlueScope identified several factors affecting the market, including seasonal fluctuations, such as wet and dry seasons and holiday shutdowns; economic conditions, including access to capital and consumer confidence; and government standards and policies.

BlueScope advised at the verification that the outlook for demand remains closely linked to construction activity and broader economic conditions. Demand is expected to be supported by ongoing infrastructure and residential construction projects, although uncertainty in global supply chains, input costs and interest rate conditions may affect market performance.

4.6 Market pricing

BlueScope manufactures most of its like goods to order. It issues monthly price lists, with base prices informed by manufacturing costs, and negotiates directly with customers. Where available, BlueScope considers competing import offers during price negotiations.

BlueScope has staff dedicated to acquiring foreign commercial intelligence to understand pricing trends. This team establishes price floors, restrictions and price strategies by testing import offers and assessing price spreads and the reliability of import indicators.

BlueScope's application states that it sets pricing in the same way for all customers, whether related or unrelated. BlueScope operates an import parity pricing mechanism where known import offers in the market are used to determine the level of pricing.[45]

The commission understands that importers and steel distributors use various pricing methods. Some provide customers, including end-users and distributors, with mill price lists. Others engage directly with customers and obtain a price from the mill for a prospective order. Regardless of the method used, customers can generally switch

[45] EPR 698, document no. 1.

suppliers and negotiate price, delivery and payment terms. Price, service, availability, product range and quality are important purchasing considerations. Most goods are supplied to order.

4.7 Market size

The commission assessed the Australian market size based on data supplied in the application from BlueScope and import statistics from the ABF import database using tariff classifications consistent with the application initiation notice.

Figure 1 below shows the sales volumes of the Australian market for the goods expressed in metric tonnes (MT), in each 12-month period aligned to the calendar year (CY) ending 31 December (CY22 to CY25) for the injury analysis period.

The commission observed that the Australian market for the goods declined between CY22 and CY23 and remained relatively stable in CY24. Market size increased in CY25 but did not return to the level observed in CY22. Overall, the Australian market contracted over the injury analysis period despite some recovery in the final year.

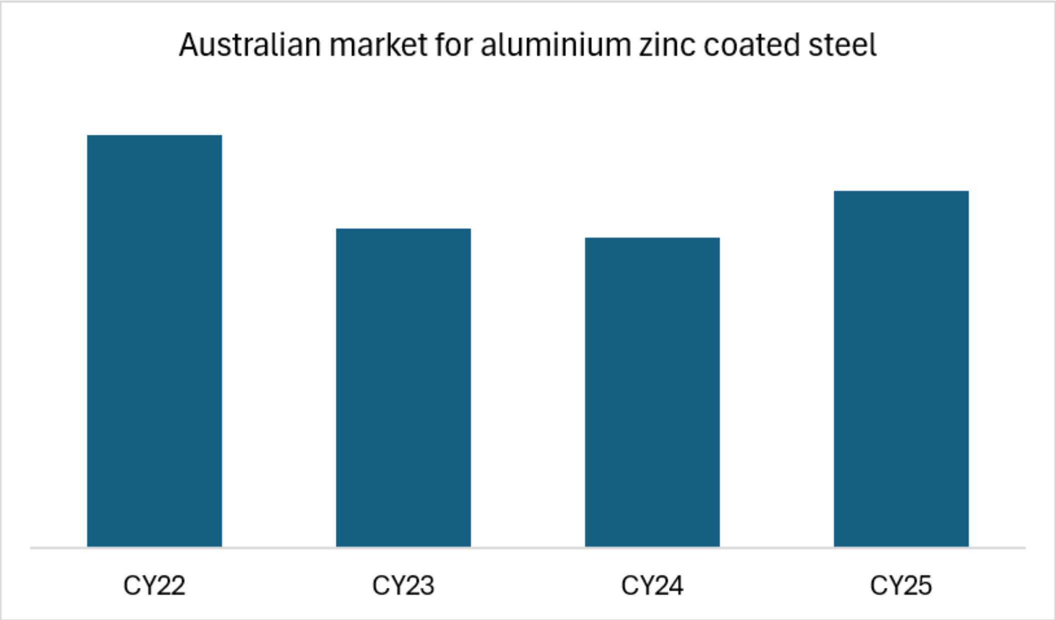

Figure 1: Australian market size (MT)

The commission's assessment of the size of the Australian market is contained in **Confidential attachment 1: Australian market.**

5 ECONOMIC CONDITION OF THE INDUSTRY

5.1 Preliminary finding

The Commissioner preliminarily finds that the economic condition of the Australian industry presents a mixed picture. While some measures improved over the injury analysis period, overall, the industry remains weaker than at the commencement of the injury analysis period.

The commission found that sales volumes, market share, capacity utilisation, employment and capital investment increased over the injury analysis period. These improvements indicate that the Australian industry strengthened its market position while the measures remained in place. However, selling prices declined during the injury analysis period. Revenue, productivity and ROI also declined, while profit and profitability weakened in CY25 following an improvement in CY24. Although profit and profitability remained above CY23 levels, the overall financial performance of the Australian industry weakened during the latter part of the injury analysis period.

Having regard to these factors, the Commissioner preliminarily finds that, although the Australian industry improved its sales volumes and market position during the injury analysis period, its overall economic condition remains weaker than at the commencement of the injury analysis period.

5.2 Approach to analysis

This chapter considers the economic condition of the Australian industry since the measures were imposed and provides the basis for the analysis of whether material injury is likely to continue or recur that is further detailed in chapter 7.

The commission has assessed the economic condition of the Australian industry over the injury analysis period. This assessment has relied on the following information:

- information provided by BlueScope, including data relating to its sales volumes, revenue and costs
- information obtained in REP 558, and
- ABF import database data.

The commission’s assessment of the economic condition of the Australian industry is contained in **Confidential attachment 2: Economic condition of the Australian industry.**

5.3 Findings in the original investigation

REP 558 found that the Australian industry had experienced injury in the forms of:

- price suppression
- price depression
- reduced profits
- reduced profitability
- reduced ROI

- reduced capital investment
- declining sales volumes
- reduced market share.

The current inquiry identified deterioration in some economic factors examined in REP 558, including selling prices and ROI. Profit and profitability improved in CY24 before weakening in CY25. However, unlike REP 558, the commission did not identify injury in the form of reduced sales volumes or market share during the injury analysis period.

5.4 Volume effects

5.4.1 Sales volume

Figure 2 below shows that the Australian industry's sales volume declined in CY23 before recovering in subsequent years. Sales volume increased in both CY24 and CY25, with volumes in CY25 reaching the highest level observed during the injury analysis period and exceeding the volumes recorded in CY22 and CY23.

Based on the information below, the Commissioner preliminarily finds that the Australian industry's sales volume increased over the injury analysis period despite a decline in CY23.

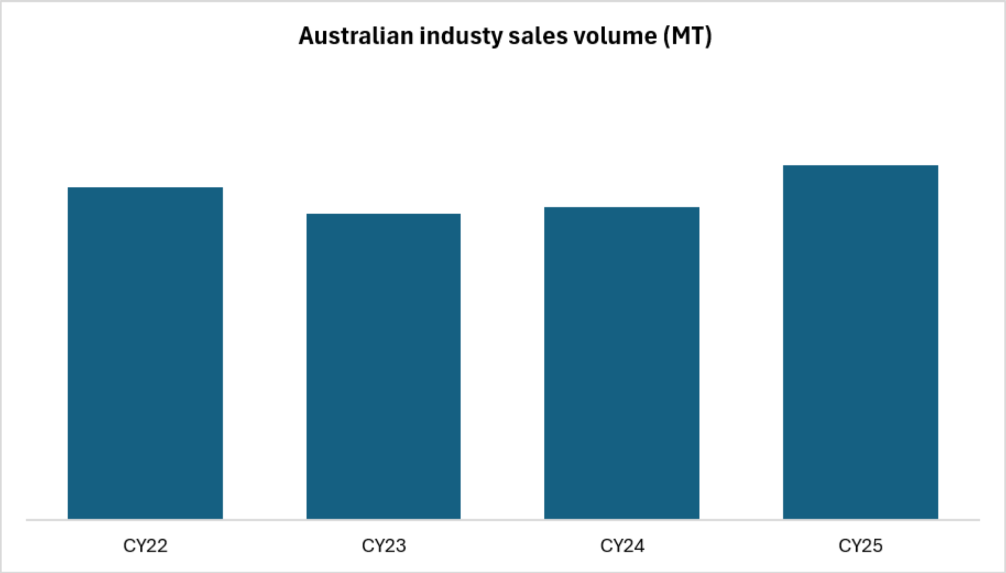

Figure 2: Australian industry sales volume

5.4.2 Market share

Figure 3 and the underlying data indicate the Australian industry's market share for the goods over the injury analysis period. The commission has relied upon the approach outlined in the assessment of the Australian market at section 4.7 to determine export volumes and market share.

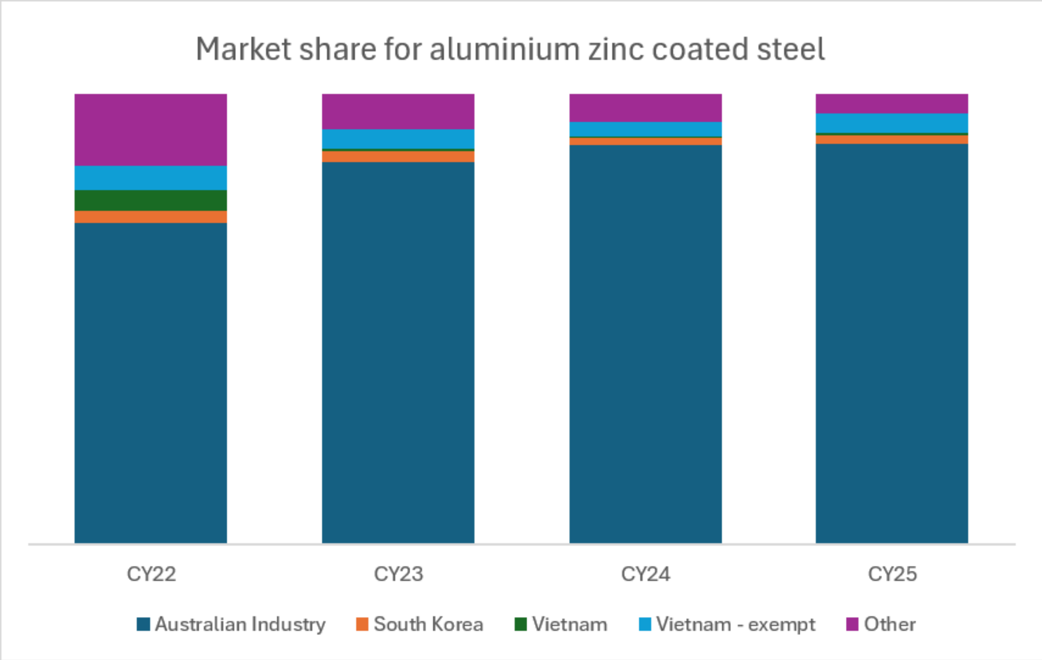

Figure 3: Market share (% of volume in MT)

Figure 3 and the underlying data indicate:

- the Australian industry accounted for the largest share of the Australian market throughout the injury analysis period, with market share increasing between CY22 and CY24 before remaining relatively stable in CY25
- imports from Korea accounted for a small proportion of the Australian market throughout the injury analysis period and remained relatively stable, with only minor fluctuations observed between CY22 and CY25
- imports from Vietnam declined between CY22 and CY23 and were negligible from CY24 onwards
- imports from exporters in Vietnam that are not subject to the measures maintained a relatively small but stable share of the Australian market throughout the injury analysis period
- imports from all other countries represented the largest source of import competition, but the share of goods entering the Australian market from these sources declined throughout the injury analysis period, and
- the increase in the Australian industry's market share between CY22 and CY24 broadly coincided with a reduction in the market share of imports from Vietnam and other non-subject countries.

Based on the data analysed at the time of making this SEF, the Commissioner preliminarily considers that the Australian industry has not experienced injury in the form of reduced market share over the injury analysis period. The Australian industry's market share increased between CY22 and CY24 and remained broadly stable in CY25. The increase in the Australian industry's market share over the injury analysis period occurred alongside a decline in the market share of imports from Vietnam and all other countries, suggesting that the Australian industry improved its position within the Australian market over the injury analysis period.

5.5 Price effects

5.5.1 Price depression

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

Figure 4 shows the Australian industry's weighted average unit price of the goods sold during the injury analysis period.

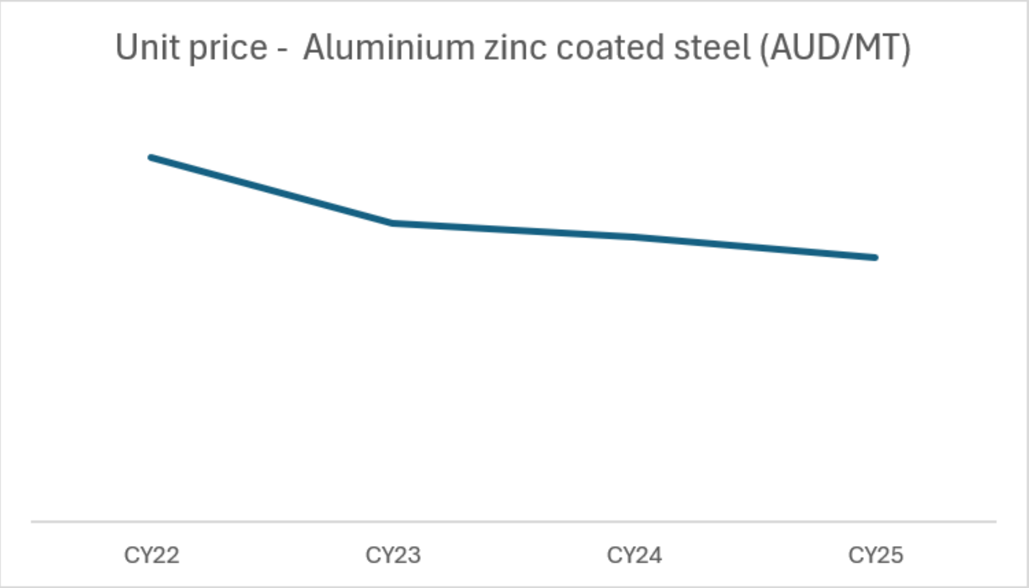

Figure 4: Australian industry weighted average unit price

The Australian industry's unit price decreased throughout the injury analysis period. The unit price declined between CY22 and CY23 and continued to decline, albeit at a slower rate, in CY24 and CY25. The unit price in CY25 was below the levels recorded in all previous years examined. The Commissioner preliminarily finds that there is evidence of price depression.

5.5.2 Price suppression

Figure 5 below shows the trends in the Australian industry's unit price and unit costs to make and sell (CTMS) across the injury analysis period. The commission examined BlueScope's data to assess whether the Australian industry experienced price suppression.

Consistent with the trend shown in Figure 4, the Australian industry's unit price decreased throughout the injury analysis period, with the largest decline occurring between CY22 and CY23. Over the same period, the Australian industry's unit CTMS also decreased and generally followed a similar trend to the unit prices. While the margin between the unit price and the unit CTMS narrowed between CY22 and CY23, it remained relatively stable from CY23 to CY25. The unit price remained above unit CTMS throughout the injury analysis period, indicating that decreases in prices were broadly accompanied by decreases in costs. The Commissioner preliminarily finds that there is evidence of price suppression.

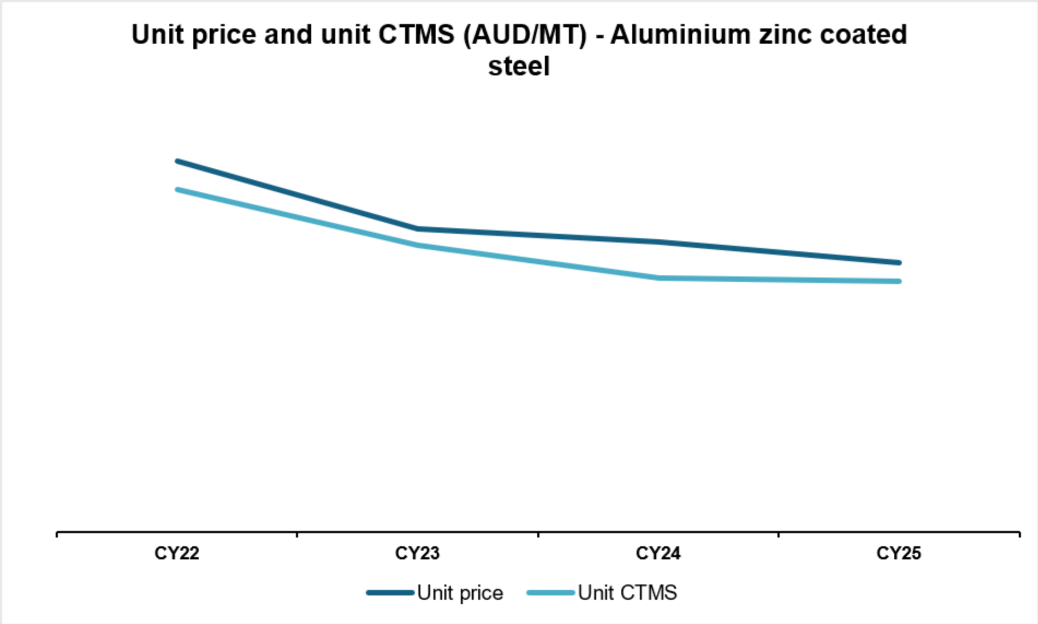

Figure 5: BlueScope's weighted average price and unit CTMS

5.6 Profit effects

Figure 6 below illustrates the Australian industry's profit and profitability for sales of the goods during the injury analysis period. The commission examined BlueScope's data in assessing the financial performance of the Australian industry.

The commission notes that the Australian industry's profit decreased between CY22 and CY23, increased significantly in CY24, and decreased again in CY25. Profitability followed a similar trend, declining in CY23, increasing to its highest level in CY24, and decreasing in CY25. While profit and profitability were lower in CY25 than in CY24, both indicators remained above the levels recorded in CY23. The trends in profit and profitability indicate that the Australian industry's financial performance improved in CY24 before weakening in CY25. The Commissioner preliminarily finds that the Australian industry has experienced reduced profit and profitability during the inquiry period because profit and profitability weakened in CY25 following an improvement in CY24.

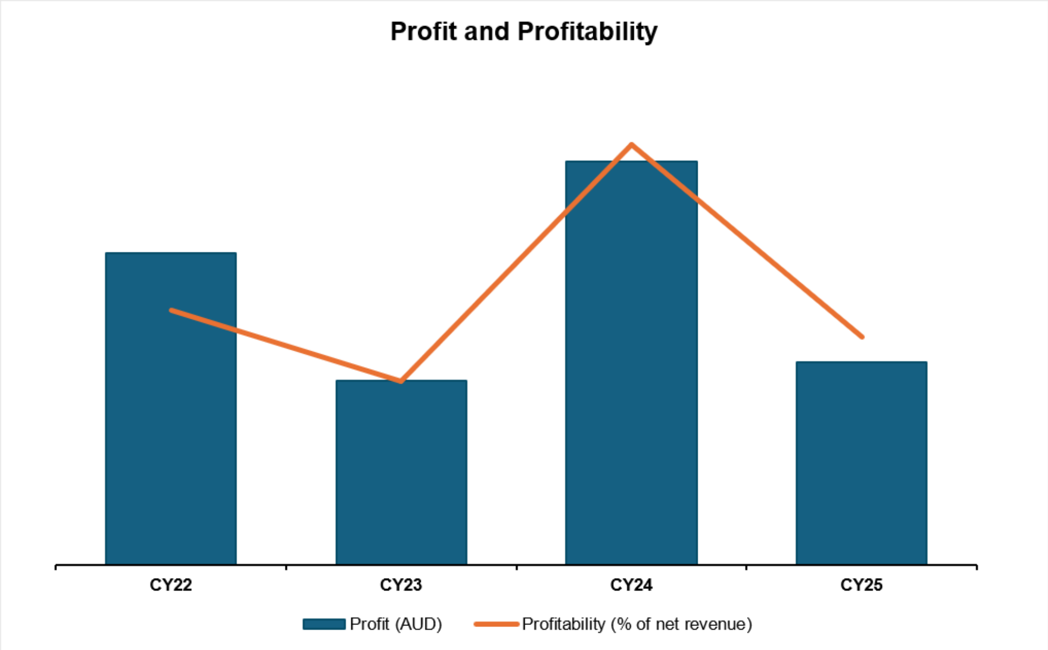

Figure 6: BlueScope's profit and profitability relating to aluminium zinc coated steel

5.7 Other economic factors

Table 10 shows the change in the Australian industry's other economic factors from CY22 to CY25, indexed with respect to CY22. The commission examined BlueScope's data in assessing the financial performance of the Australian industry.

The commission made the following observations.

- Revenue decreased in CY23, recovered partially in CY24 and declined slightly in CY25. Despite the recovery in CY24, revenue in CY25 remained below the level recorded in CY22.
- Capacity remained unchanged throughout the injury analysis period.
- Capacity utilisation declined initially but increased to above its CY22 level by CY25. Productivity decreased throughout the injury analysis period. While productivity improved in CY25 compared to CY24, it remained below the levels recorded in CY22 and CY23.
- Employment declined in CY23 and increased in CY24 and CY25, with employment in CY25 reaching its highest level during the injury analysis period.
- Total wages followed a similar trend to employment, decreasing in CY23 before increasing in CY24 and CY25. In contrast, average wages per employee declined between CY22 and CY24 and remained unchanged in CY25. The value of assets increased throughout the injury analysis period, reaching more than two and a half times the CY22 level by CY25.
- Capital investment also increased throughout the period examined, with significant increases occurring in CY24 and CY25.
- ROI decreased substantially in CY23, recovered partially in CY24 and declined again in CY25. ROI in CY25 was the lowest level recorded during the injury analysis period and remained substantially below the level recorded in CY22.

Economic factor	CY22	CY23	CY24	CY25
Revenue (AUD)	100	75	82	79
Capacity (MT)	100	100	100	100
Capacity utilisation (%)	100	92	94	107
Productivity (MT per person)	100	97	83	90
Employment (employees)	100	95	113	118
Wages (AUD)	100	87	99	104
Average wage (AUD per person)	100	91	88	88
Assets (AUD)	100	183	226	260
Capital investment (AUD)	100	111	262	431
ROI	100	29	53	27

Table 10: Index of other injury factors

The Commissioner considers that these observations present a mixed picture of the Australian industry's performance. While capacity utilisation, employment, assets and capital investment improved over the injury analysis period, revenue, productivity and ROI deteriorated overall. In particular, the significant decline in ROI suggests that the Australian industry generated lower returns despite increased investment in assets and capital expenditure.

6 DUMPING DURING THE INQUIRY PERIOD

6.1 Preliminary finding

The Commissioner preliminarily finds that the variable factors relevant to the determination of duty payable on exports of the goods from Korea and Vietnam have changed since they were last ascertained.

The Commissioner has preliminarily determined that the variable factors for all exporters have changed and determined dumping margins as summarised in Table 11.

Country	Exporter	Dumping margin
Korea	KG Dongbu	2.2%
	Uncooperative and all other exporters	7.1%
Vietnam	Hoa Sen	-0.9%
	Uncooperative and all other exporters	5.1%

Table 11: Summary of dumping margins

6.2 Legislative framework

Under section 269ZHF(2), the Commissioner must not recommend that the Minister take steps to secure the continuation of the measures unless the Commissioner is satisfied that the expiration of the measures would lead, or would be likely to lead, to a continuation of, or a recurrence of, dumping. The existence of dumping during the inquiry period may be an indicator of whether dumping may occur in the future.

Dumping occurs when a product from one country is exported to another country at a price less than its normal value.

- **Export price** is determined under section 269TAB. Section 269TAB(1)(a) provides that the export price of any goods exported to Australia is the price paid or payable for the goods by the importer where the goods have been exported to Australia otherwise than by the importer and have been purchased by the importer from the exporter in arms length transactions.
- **Normal value** is determined under section 269TAC. Section 269TAC(1) states that the normal value of any goods exported to Australia is the price paid or payable for like goods sold in the ordinary course of trade (OCOT) for home consumption in the country of export in sales that are arms length transactions by the exporter, or, if like goods are not so sold by the exporter, by other sellers of like goods.
- **Dumping margins** are worked out under section 269TACB.
- **Uncooperative exporters:** Section 269TACAB(1) sets out the provisions for calculating export prices and normal values for uncooperative exporters. Export prices are to be worked out under section 269TAB(3) and normal values are to be calculated under section 269TAC(6).

6.3 Variable factors – KG Dongbu

As stated in section 2.4.1, the commission verified the information submitted in KG Dongbu's questionnaire response. The commission is satisfied that the information provided by KG Dongbu is accurate and reliable for the purpose of ascertaining the variable factors applicable to KG Dongbu's exports of the goods. A report containing the verification findings relating to KG Dongbu is available on the public record.[46]

The Commissioner preliminarily finds that the export price and normal value relevant to the determination of IDD payable have changed since last ascertained in REP 558 and that the dumping margin for KG Dongbu is **2.2%**.

6.3.1 Export price

The Commissioner has preliminarily determined the export price for KG Dongbu under section 269TAB(1)(a), as the price paid by the importer to the exporter for the goods, less any charges or expenses in respect of the transport of the goods after exportation.

The Commissioner considers KG Dongbu to be the exporter[47] of the goods because KG Dongbu:

- produced the goods exported to Australia
- is named as the supplier on commercial invoices
- is named as the consignor on bills of lading
- arranged and paid for port handling charges at the port of export, and
- arranged and paid for inland transport to the port of export.

The Commissioner is satisfied that for all its Australian export sales during the inquiry period, KG Dongbu was the exporter of those goods.

<u>'Arms length' assessment</u>

The commission observed that KG Dongbu is not related to any of its Australian customers. For all transactions relating to the goods exported to Australia by KG Dongbu, the Commissioner did not find that:

- there was any consideration payable for or in respect of the goods other than their price,[48] or
- the price appeared to be influenced by a commercial or other relationship between the buyer (Australian customer) and KG Dongbu,[49] or

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[46] EPR 698, document no. 11.
[47] The commission generally identifies the exporter as a principal in the transaction, located in the country of export from where the goods were shipped, that gave up responsibility by knowingly placing the goods in the hands of a carrier, courier, forwarding company, or its own vehicle for delivery to Australia; or a principal in the transaction, located in the country of export, that owns, or previously owned, the goods but need not be the owner at the time the goods were shipped.
[48] Section 269TAA(1)(a).
[49] Section 269TAA(1)(b).

- the buyer was directly or indirectly reimbursed, compensated or otherwise received a benefit for or in respect of the whole or any part of the price.[50]

Accordingly, the Commissioner preliminarily finds that KG Dongbu sold these goods in ‘arms length’ transactions as defined in section 269TAA.

The Commissioner has determined an export price of the goods exported to Australia by KG Dongbu under section 269TAB(1)(a). The export price was determined as the price paid by the importer to the exporter for the goods, less any charges or expenses in respect of the transport of the goods after exportation.

The commission’s calculation of KG Dongbu’s export price is at **Confidential attachment 3: KG Dongbu export price**.

6.3.2 Normal value

The Commissioner preliminarily finds that KG Dongbu sold a sufficient volume of like goods in the OCOT and in ‘arms length’ transactions for home consumption in Korea. Accordingly, the commission calculated the normal value for KG Dongbu under section 269TAC(1), as the price paid or payable for like goods sold in the OCOT for home consumption in the country of export in sales that are arms length transactions.

The commission observed that, during the inquiry period, KG Dongbu sold like goods to both related and unrelated customers in the domestic market. For all sales to all customers, the commission observed no evidence that:

- there was any consideration payable for or in respect of the like goods other than their price, or
- the price appeared to be influenced by a commercial or other relationship between the buyer (customer) and KG Dongbu, or
- the buyer was directly or indirectly reimbursed, compensated or otherwise received a benefit for or in respect of the whole or any part of the price.

The commission compared prices of like goods sold to related and unrelated customers. The commission did not observe distinct and consistent price differences. This price analysis is at **Confidential attachment 5: KG Dongbu normal value**.

Given the evidence outlined above, for all sales of the like goods to related customers, the Commissioner preliminarily finds that KG Dongbu sold these goods in ‘arms length’ transactions as defined in section 269TAA.

The commission examined the total volume of relevant domestic sales of like goods, sold at ‘arms length’ and in the OCOT, as a percentage of the goods exported to Australia. The Commissioner has preliminarily found that the volume of these domestic sales was greater than 5% and therefore was not low volume.

[50] Section 269TAA(1)(c).

In consideration of the above, the Commissioner has determined normal value under section 269TAC(1). The calculation of KG Dongbu's normal value is at **Confidential attachment 5: KG Dongbu normal value**.

6.3.3 Adjustments

The Commissioner is preliminarily satisfied there is sufficient information to justify the following adjustments to the normal value in accordance with section 269TAC(8). The Commissioner considers that these adjustments (as outlined in Table 12 below) are necessary to ensure a fair comparison of the normal value and export price.

Adjustment type	Deduction / addition
Domestic packaging	Deduct an amount for domestic packaging
Domestic inland transport	Deduct an amount for domestic inland transport
Domestic warranty	Deduct an amount for domestic warranty expenses
Domestic credit terms	Deduct an amount for domestic credit terms
Export packaging	Add an amount for export packaging
Export inland transport	Add an amount for export inland transport
Export port handling	Add an amount for export port handling
Export brokerage	Add an amount for export brokerage
Export bank charges	Add an amount for export bank charges
Export credit terms	Add an amount for export credit terms
Specification	Add or deduct an amount for specification
Timing	Add or deduct an amount for timing adjustment

Table 12: KG Dongbu – Summary of normal value adjustments

6.3.4 Dumping margin

The preliminary dumping margin for the goods exported to Australia by KG Dongbu for the inquiry period is **2.2%**.

The dumping margin calculations are at **Confidential attachment 6: KG Dongbu dumping margin**.

6.4 Variable factors – Hoa Sen

As stated in section 2.4.1, the commission visited Hoa Sen's premises in Vietnam to verify the information submitted in Hoa Sen's REQ. The Commissioner is satisfied that the information provided by Hoa Sen is accurate and reliable for the purpose of ascertaining the variable factors applicable to Hoa Sen's exports of the goods. A report containing the verification findings relating to Hoa Sen is available on the public record.[51]

The Commissioner has found that the export price and normal value relevant to the determination of IDD payable have changed since last ascertained in REP 558.

[51] EPR 698, document no. 12.

The preliminary dumping margin for the goods exported to Australia by Hoa Sen during the inquiry period is **negative 0.9%**.

6.4.1 Export price

The Commissioner has determined the export price for Hoa Sen under section 269TAB(1)(a), as the price paid by the importer to the exporter for the goods, less any charges or expenses in respect of the transport of the goods after exportation.

The Commissioner considers Hoa Sen to be the exporter of the goods because Hoa Sen:

- produced the goods exported to Australia
- is named as the supplier on commercial invoices
- is named as the consignor on bills of lading
- arranged and paid for port handling charges at the port of export, and
- arranged and paid for inland transport to the port of export.

The Commissioner is satisfied that for all its Australian export sales during the inquiry period, Hoa Sen was the exporter of those goods.

<u>‘Arms length’ assessment</u>

The commission observed that Hoa Sen is not related to any of its Australian customers. For all transactions relating to the goods exported to Australia by Hoa Sen, the commission did not identify evidence that:

- there was any consideration payable for or in respect of the goods other than their price,[52] or
- the price appeared to be influenced by a commercial or other relationship between the buyer (Australian customer) and Hoa Sen,[53] or
- the buyer was directly or indirectly reimbursed, compensated or otherwise received a benefit for or in respect of the whole or any part of the price.[54]

Accordingly, the Commissioner preliminarily finds that Hoa Sen sold these goods in ‘arms length’ transactions as defined in section 269TAA.

Noting these findings, the Commissioner has determined an export price of the goods exported to Australia by Hoa Sen under section 269TAB(1)(a). The export price was calculated as the price paid by the importer to the exporter (Hoa Sen) for the goods, less any charges or expenses in respect of the transport of the goods after exportation.

The calculation of Hoa Sen’s export price is at **Confidential attachment 7: Hoa Sen export price.**

6.4.2 Normal value

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[52] Section 269TAA(1)(a).
[53] Section 269TAA(1)(b).
[54] Section 269TAA(1)(c).

The Commissioner preliminarily found that Hoa Sen sold a sufficient volume of like goods in the OCOT and in ‘arms length’ transactions for home consumption in Vietnam. Accordingly, the Commissioner determined the normal value for Hoa Sen under section 269TAC(1), as the price paid or payable for like goods sold in the OCOT for home consumption in the country of export in sales that are arms length transactions.

The commission observed that, during the inquiry period, Hoa Sen sold like goods to both related and unrelated customers in the domestic market.

For all sales to unrelated customers, the Commissioner preliminarily found that Hoa Sen sold the domestic goods in ‘arms length’ transactions as defined under section 269TAA.

For all sales to related customers, the Commissioner preliminarily found that a relationship between Hoa Sen and its related customers appeared to influence the price. For these transactions, the Commissioner preliminarily found that:

- Hoa Sen wholly owned its related customers, and
- Hoa Sen’s prices to related customers differed from the prices to unrelated customers.

In consideration of the above, the Commissioner preliminarily finds that Hoa Sen sold like goods to related customers in transactions that were not made at ‘arms length’ as defined under section 269TAA. The commission excluded these sales transactions to related customers from the calculation of the normal value.

The commission assessed the total volume of relevant domestic sales of like goods, sold at ‘arms length’ and in the OCOT, as a percentage of the goods exported to Australia. The Commissioner has preliminarily found that the volume of these domestic sales was greater than 5% and therefore was not low volume.

In consideration of the above, the commission calculated normal value under section 269TAC(1). The calculation of Hoa Sen’s normal value is at **Confidential attachment 9: Hoa Sen normal value**.

6.4.3 Adjustments

The Commissioner is preliminarily satisfied there is sufficient information to justify the following adjustments to the normal value in accordance with section 269TAC(8). The Commissioner considers that these adjustments (listed in Table 13 below) are necessary to ensure a fair comparison of the normal value and export price.

Adjustment type	Deduction / addition
Domestic credit terms	Deduct an amount for domestic credit
Domestic insurance	Deduct an amount for domestic insurance
Domestic inland transport	Deduct an amount for domestic inland transport
Domestic bank fee	Deduct an amount for domestic bank fee
Domestic commission	Deduct an amount for domestic commission
Domestic handling and other expenses	Deduct an amount for domestic handling and other expenses
Domestic other expenses	Deduct an amount for domestic other expenses
Export inland transport	Add an amount for export inland transport

Adjustment type	Deduction / addition
Export port handling	Add an amount for export port charges
Export bank charges	Add an amount for export bank charges
Export credit terms	Add an amount for export credit terms
Specification	Add or deduct an amount for specification
Timing	Add or deduct an amount for timing adjustment

Table 13: Hoa Sen – Summary of normal value adjustments

6.4.4 Dumping margin

The preliminary dumping margin for the goods exported to Australia by Hoa Sen during the inquiry period is **negative 0.9%**.

The dumping margin calculations are at **Confidential attachment 10: Hoa Sen dumping margin**.

6.5 Variable factors – Uncooperative and all other exporters – Korea

6.5.1 Export price

The export price for uncooperative and all other exporters from Korea was determined having regard to all relevant information under section 269TAB(3), at FOB terms.

The commission used data from the ABF import database to select the lowest weighted average export price for uncooperative and all other exporters from Korea.

6.5.2 Normal value

The normal value for uncooperative and all other exporters from Korea was determined having regard to all relevant information under section 269TAC(6), at FOB terms.

The commission used KG Dongbu's normal value to calculate a quarterly weighted average normal value for uncooperative and all other exporters from Korea.

6.5.3 Dumping margin

The preliminary dumping margin for the goods exported to Australia by uncooperative and all other exporters from Korea for the inquiry period is **7.1%**.

The commission compared the weighted average export price with the weighted average normal value according to section 269TACB(2)(a).

The dumping margin calculations are at **Confidential attachment 11: Korea – uncooperative and all other rate**.

6.6 Variable factors – Uncooperative and all other exporters – Vietnam

6.6.1 Export price

The export price for uncooperative and all other exporters from Vietnam was determined having regard to all relevant information under section 269TAB(3), at FOB terms.

The commission used data from the ABF import database to calculate a weighted average export price for uncooperative and all other exporters from Vietnam.

6.6.2 Normal value

The normal value for uncooperative and all other exporters from Vietnam was determined having regard to all relevant information under section 269TAC(6), at FOB terms.

The commission used Hoa Sen’s normal value to calculate a quarterly weighted average normal value for uncooperative and all other exporters from Vietnam.

6.6.3 Dumping margin

The preliminary dumping margin for the goods exported to Australia by uncooperative and all other exporters from Vietnam for the inquiry period is **5.1%**.

The commission compared the weighted average export price with the weighted average normal value according to section 269TACB(2)(a).

The dumping margin calculations are at **Confidential attachment 12: Vietnam – uncooperative and all other rate**.

7 LIKELIHOOD THAT DUMPING AND MATERIAL INJURY WILL CONTINUE OR RECUR

7.1 Preliminary finding

The Commissioner is preliminarily satisfied that the expiration of the measures applying to the goods exported to Australia from Korea and Vietnam would lead, or would be likely to lead, to a continuation or recurrence of dumping and the material injury that the measures are intended to prevent.

After considering the commission's analysis and findings, the Commissioner is preliminarily satisfied that the conclusions outlined in sections 7.1.1 to 7.1.3 will likely occur if the measures expire.

7.1.1 Exports from Korea and Vietnam will likely continue

- Exports of the goods from Korea and Vietnam have continued throughout the period in which the measures have been in place.
- Demand for the goods continues in the Australian market and exporters from subject countries have maintained established distribution links with Australian importers, traders and end users.
- Exporters in Korea and Vietnam maintained significant excess production capacity relative to the size of the Australian market, providing both the ability and incentive to increase exports to Australia should the measures expire.
- Global excess steelmaking capacity remains significant and is expected to continue growing.
- Trade remedy measures, tariffs and other restrictions in a number of export markets may limit access to those markets and make Australia a comparatively more attractive export destination.

7.1.2 Dumping of goods from Korea and Vietnam will continue or recur

- The goods exported from Korea and Vietnam were found to be dumped in the original investigation.
- KG Dongbu and uncooperative and all other exporters from Korea and Vietnam were found to have dumped the goods during the inquiry period.
- Although Hoa Sen was not found to have dumped during the inquiry period, exporters from Vietnam continued to compete in the Australian market and maintain established distribution channels.
- Exporters from Korea and Vietnam continued to participate in a price-sensitive and highly competitive Australian market throughout the inquiry period.
- Export prices from Korea, Vietnam and major non-subject countries remained broadly comparable during and after the inquiry period, indicating continuing price-based competition for Australian sales opportunities.
- Exporters seeking to maintain or increase export volumes are likely to continue relying on competitive pricing in the Australian market.

7.1.3 Material injury to Australian industry from dumping will continue or recur

- The Australian market for the goods is price-sensitive and customers have demonstrated an ability to switch between suppliers and sources of supply in response to changes in relative pricing.
- Import offers from Korean and Vietnamese exporters continued to influence customer purchasing decisions and the Australian industry's pricing.
- Exporters from Korea and Vietnam supply, or previously supplied, some of the same customers supplied by the Australian industry.
- Korean imports continued to undercut the Australian industry's prices during the inquiry period.
- While Vietnamese imports did not undercut the Australian industry on a full-year weighted-average basis, undercutting was observed in the December quarter, demonstrating the potential for undercutting should the measures expire. KG Dongbu and Hoa Sen maintain sufficient production capacity to significantly increase exports to Australia should the measures expire.
- In the absence of the measures, importers and customers would likely source greater volumes of the goods from Korea and Vietnam at prices that would place downward pressure on the Australian industry's prices.
- This would likely result in price depression or price suppression, or both, should the Australian industry seek to compete with those imports on price or alternatively reduce sales volumes and market share if it is unable to compete on price.

7.2 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 Commissioner notes that the 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 Commissioner 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 the conclusions and recommendations on facts.[55]

7.3 The commission's approach

The commission examined factors relevant to the assessment of the likelihood that dumping and material injury will continue or recur, as outlined in the Manual.[56] 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 single factor can provide decisive guidance. The following analysis therefore examines a range of factors relevant to this inquiry.

[55] ADRP Report No 44 (Clear Float Glass).
[56] The Manual, pages 137–138 refer.

The analysis referred to in this chapter is at **Confidential attachment 13: Analysis – exports and dumping** and **Confidential attachment 14: Analysis – continuation or recurrence of injury**.

7.4 Australian industry claims

BlueScope made the claims summarised below in its application[57] about the continuation or recurrence of dumping and injury in the absence of measures. The commission has considered BlueScope's claims in further detail at chapters 7.5 to 7.7.

- Exports from Korea and Vietnam are likely to continue, and may increase, if the measures expire, as exporters have continued supplying the Australian market, maintained established commercial relationships and distribution channels, and operate in export-oriented industries with substantial production capacity.
- Weak domestic demand conditions and excess global steelmaking capacity create ongoing incentives for exporters to seek export opportunities.
- Australia remains an attractive export destination and measures in other jurisdictions may increase the likelihood of exports being redirected to Australia.
- If the measures were to expire, the competitiveness of the goods exported from Korea and Vietnam would increase, incentivising importers to purchase the goods at dumped prices.
- Should the measures expire, BlueScope forecast that a substantial increase in exports from the subject countries would cause volume, price and profit injury to Australian industry.

7.5 Are exports likely to continue or recur?

The Commissioner has preliminarily found that, should the measures expire, exports from the subject countries would likely continue.

For the Commissioner to be satisfied that the expiry of the measures would lead, or would likely lead, to the continuation or recurrence of dumping, there must be a reasonable basis to conclude that exports of the goods to Australia would continue or recur. This issue is particularly relevant in this inquiry because exports from Korea, and exports from Vietnamese exporters subject to the measures, declined significantly following the imposition of the measures. The export volumes observed from Vietnam during the inquiry period were largely attributable to exporters that were exempt from the measures.

The finding that, should the measures expire, exports from the subject countries will likely continue is based on the factors listed below.

- Korean and Vietnamese exporters of the goods have continued to supply the Australian market.
- Korean and Vietnamese exporters of the goods have maintained and will continue to have distribution links to the Australian market.

[57] EPR 698 – document no. 1 (attachment A).

- Korean and Vietnamese exporters will likely continue to have excess production capacity for the goods and can increase production and export of the goods to Australia.
- The presence of tariff and trade measures by other jurisdictions would likely make the Australian market comparatively more attractive if the measures expired.

To form the Commissioner's view, the commission has assessed Korean and Vietnamese import volumes, maintenance of distribution links, production capacity and trade measures imposed by other jurisdictions, as outlined in the sections below.

The assessment is contained in **Confidential attachment 13: Analysis – exports and dumping**.

7.5.1 Import volumes

The Commissioner has preliminarily found that the ongoing exportation of the goods from Korea and Vietnam following the imposition of measures supports the likelihood that exports would continue or recur should the measures expire.

The commission analysed the ABF import database for the injury analysis period and observed that exporters subject to the notice from both Korea and Vietnam continued to export the goods to Australia following the imposition of measures.

The ongoing exportation of the goods demonstrates that exporters from Korea and Vietnam remain active participants in the Australian market and continue to have the ability to supply Australian customers (refer to section 7.5.2) notwithstanding the operation of measures.

The presence of continuing exports indicates an ongoing commercial interest in the Australian market and demonstrates that Australia remains a viable export destination for exporters from the subject countries.

Accordingly, the Commissioner considers that continued exports from Korea and Vietnam during the injury analysis period are a factor supporting the likelihood that exports would continue should the measures expire.

The assessment of import volumes is at **Confidential attachment 1: the Australian market** and **Confidential attachment 13: Analysis – exports and dumping**.

7.5.2 Maintenance of distribution links

The Commissioner considers that distribution links between the subject countries and Australia are well established and continue to operate.

Demand for the goods continues in the Australian market and provides opportunities for exporters from Korea and Vietnam to increase volumes through existing distribution channels and commercial relationships should the measures expire.

The commission analysed the ABF import database for the injury analysis period[58] to assess distribution links between Australia and the subject countries. This analysis demonstrated that:

- exporters from Korea and Vietnam continued to export the goods to Australia following the imposition of measures
- a number of Australian importers maintained purchasing arrangements with Korean and Vietnamese exporters during the injury analysis period
- some importers sourced goods from multiple suppliers, demonstrating an ability to switch between sources of supply, and
- exporters in Korea and Vietnam continue to have access to established trader, distributor and end-user channels in Australia.

The commission also notes that both cooperative exporters confirmed the existence of established distribution channels in Australia[59], including sales through traders and distributors supplying roll-formers and other end users.

The ongoing exportation of the goods following the imposition of measures demonstrates that exporters from Korea and Vietnam have maintained effective commercial and distribution links with the Australian market. Having regard to the continued operation of those channels, the Commissioner considers that exporters from Korea and Vietnam retain the ability to access and supply the Australian market and, should the measures expire, those channels would facilitate the continuation or expansion of exports from the subject countries.

The assessment of distribution links is contained in **Confidential attachment 13: Analysis – exports and dumping**.

7.5.3 Excess production capacity

The Commissioner preliminarily considers that excess production capacity in Korea and Vietnam is likely to contribute to a continuation or recurrence of exports to Australia should the measures expire. Excess steelmaking capacity in Korea and Vietnam, together with continuing global excess capacity and slower growth in steel demand, increases the likelihood that exporters will seek export opportunities in overseas markets, including Australia, should the measures expire.

In assessing the production of the goods in Korea and Vietnam, the commission examined the REQ information provided by KG Dongbu and Hoa Sen. That information demonstrated that exporters continued to operate with excess production capacity during the inquiry period. Exporters operating with available excess capacity have the ability to increase production and export volumes without significant additional investment. In circumstances where demand in other markets weakens or becomes less attractive, that capacity could be directed to export markets such as Australia.

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[58] Confidential attachment 13: *Analysis – exports and dumping*, distribution links analysis based on the ABF import database.

[59] KG Dongbu REQ and Hoa Sen REQ responses concerning Australian customers, sales channels and distribution arrangements.

In REP 558, the commission found that cooperating exporters' excess production capacity was equivalent to approximately 6.2 times the Australian market at that time. The evidence obtained in the current inquiry indicates that excess capacity has reduced since REP 558 but remains substantial relative to the size of the Australian market. Based on verified information, the cooperating exporters' combined excess capacity remains equivalent to approximately 3.9 times the current Australian market. The commission notes that this excess capacity provides exporters with the ability to materially increase exports to Australia should the measures expire.

The commission has also examined publicly available information concerning steel industry capacity beyond the inquiry period. *The OECD Steel Outlook 2025* (OECD 2025 Report)[60] identifies continuing global excess steelmaking capacity and forecasts further capacity additions despite weaker growth in steel demand. The OECD notes that persistent excess capacity may increase competitive pressures in export markets and contribute to trade diversion.[61]

The commission also noted that Australia remains a commercially accessible market for any additional export volumes arising from the available production capacity identified in Korea and Vietnam[62]. As discussed in section 7.5.2, exporters from the subject countries have maintained established distribution channels and commercial relationships in Australia throughout the injury analysis period. The commission noted that exports from both subject countries continued notwithstanding the operation of the measures, demonstrating that exporters continue to have access to the Australian market. Further, as discussed in section 4.4 and 4.6, the Australian market is characterised by price-based competition, with importers sourcing the goods from multiple countries and retaining the ability to switch between suppliers in response to changes in relative pricing.[63] The commission observed that customers can generally negotiate price, delivery and payment terms and are responsive to competitive import offers when making pricing decisions. In these circumstances, should exporters from Korea and Vietnam seek to utilise available excess capacity, they would be able to increase exports to Australia through existing commercial relationships and supply chains without the need to establish new distribution networks or customer bases. Accordingly, the Commissioner preliminarily finds that Australia represents a readily accessible market for additional export volumes arising from excess production capacity in Korea and Vietnam.

The commission noted that the Australian market for the goods is relatively small compared with the excess capacity identified in Korea and Vietnam. Even a small redirection of available export volumes could represent a significant increase in imports in Australia.[64] Having regard to the excess production capacity identified for Korean and Vietnamese exporters, the substantial level of global excess steelmaking capacity, the established ability of exporters to access and continue supplying the Australian market

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[60] OECD (2025), *OECD Steel Outlook 2025*, OECD Publishing, Paris.

[61] OECD (2026), *Steel Trade and Trade Policy Developments: 2025 Edition.*

[62] Confidential attachment 13: *Analysis – exports and dumping.*

[63] The commission's assessment of market competition and pricing conditions in section 4.4 and 4.6 identified that importers source the goods from multiple countries and can switch suppliers in response to changes in relative pricing and trading conditions.

[64] Confidential attachment 13 demonstrates that the identified excess production capacity of the cooperating exporters substantially exceeds Australian demand for the goods and that only a small proportion of the available capacity would represent a material share of the Australian market.

through existing distribution channels and commercial relationships[65] and the relatively small size of the Australian market, the commission assessed that exporters have both the capacity and incentive to increase exports to Australia should the measures expire. Accordingly, excess production capacity is a factor supporting the likelihood of continued or increased exports of the goods to Australia.

The assessment of excess production capacity is contained at **Confidential attachment 13: Analysis – exports and dumping**.

7.5.4 Availability of other markets

The goods are used in a range of building, construction, manufacturing and industrial applications and are traded internationally. As discussed in chapter 4, demand for the goods is not exclusive to Australia.

The commission has had regard to information concerning trade remedies, tariffs and other trade restrictions affecting steel products internationally. The OECD reported a significant increase in anti-dumping investigations involving steel products in 2024 and noted the increasing use of broader trade measures affecting steel imports. The commission also noted that products classified within tariff subheadings 7210.61 and 7225.99 are subject to numerous trade remedy measures globally.[66][67]

The commission noted that restrictions affecting access to export markets may influence the allocation of export volumes. OECD analysis indicates that trade measures may reduce exports to the market imposing the measures and create an incentive for exporters to seek alternative, less restrictive markets.[68] The commission also noted that certain trade measures affecting corrosion-resistant steel products have been imposed in significant export markets, including measures affecting products exported from Korea and Vietnam.

As discussed in sections 7.5.2 and 7.5.3, exporters from Korea and Vietnam have maintained established distribution channels and commercial relationships in Australia and continue to have the ability to access and supply the Australian market. The commission also noted that the Australian market is characterised by price-based competition and that importers retain the ability to switch between suppliers in response to changes in relative pricing. In these circumstances, Australia remains a commercially viable and readily accessible market for exporters seeking to maintain or increase export sales.

Having regard to the increasing restrictions affecting steel trade internationally, together with the established ability of Korean and Vietnamese exporters to access and supply the

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[65] Refer to section 7.5.2 and Confidential attachment 13 – *Analysis – exports and dumping* for the commission's assessment of continuing exports, customer relationships, distribution channels and importer sourcing arrangements.

[66] OECD (2025), *OECD Steel Outlook 2025*. OECD reported that 81 anti-dumping investigations involving steel products were initiated by 19 governments in 2024 and noted increasing use of broader steel tariffs.

[67] BlueScope, Attachment A to the application, citing the WTO Integrated Trade Intelligence Portal, which identifies 184 anti-dumping and countervailing measures relating to products classified under tariff subheadings 7210.61 and 7225.99

[68] OECD (2026), *Steel Trade and Trade Policy Developments: 2025 Edition*.

Australian market, the commission considered that restrictions affecting other export markets may increase the relative attractiveness of the Australian market for the goods. This is a factor supporting the likelihood that exports to Australia would continue or increase should the measures expire.

7.6 Will dumping continue or recur?

The Commissioner preliminarily considers that the expiry of the measures would likely lead to a continuation or recurrence of dumping of the goods from Korea and Vietnam.

This finding is based on the following significant factors:

- the goods exported from Korea and Vietnam were found to be dumped in the original investigation
- KG Dongbu and uncooperative and all other exporters from Korea and Vietnam were found to have exported the goods at dumped prices during the inquiry period
- although Hoa Sen was not found to have dumped during the inquiry period, it continued to supply the Australian market and maintain established distribution channels
- exporters from Korea and Vietnam continued to supply the Australian market throughout the injury analysis period and retain established distribution links with Australian importers
- export prices from Korea, Vietnam and major non-subject countries remained broadly comparable during and after the inquiry period, indicating continuing price competition for sales in the Australian market
- the Australian market is price-sensitive and purchasers are responsive to changes in relative pricing
- exporters seeking to maintain or increase their Australian sales are likely to continue relying on price as a key competitive factor, and
- trade measures applying in other jurisdictions may constrain access to alternative export markets and increase the incentive for Korean and Vietnamese exporters to direct exports to Australia.

The assessment is contained in **Confidential attachment 13: Analysis – exports and dumping**.

7.6.1 Dumping margins analysis

The Commissioner has preliminarily found that the goods exported by KG Dongbu and uncooperative and all other exporters from Korea were dumped during the inquiry period.

The Commissioner has also preliminarily found that the goods exported by uncooperative and all other exporters from Vietnam were dumped during the inquiry period. While Hoa Sen was not found to have dumped during the inquiry period, the Commissioner considers that dumping by Hoa Sen would likely recur if the measures expired. This view is based on Hoa Sen's continued participation in the Australian market, its established distribution channels, and the likelihood that the removal of measures would permit increased price competition and downward pressure on export prices.

These dumping margins have decreased since the original investigation (REP 558). Table 14 summarises the Commissioner's preliminary assessment of dumping margins during the inquiry period relating to exports from Korea and Vietnam, and a comparison with the existing rates of duty on the goods.

The commission notes that there has been no review of measures since the original investigation and no completed duty assessments. The original investigation is therefore the only available point of comparison for the assessment of dumping during the inquiry period.

Country	Exporter	Current measures (REP 558)	Proposed effective IDD
Korea	KG Dongbu	2.6% (combination method)	2.2% (combination method)
	Uncooperative and all other exporters	10.5% (combination method)	7.1% (combination method)
Vietnam	Hoa Sen Group	8.1% (combination method)	0.0% (floor price method)
	Uncooperative and all other exporters	13.1% (combination method)	5.1% (combination method)

Table 14: Comparison of preliminary dumping margins to the current measures

The Commissioner preliminarily found that the dumping margins determined in this inquiry were lower than those established in the original investigation for each exporter category examined. Nevertheless, having regard to all available information, the Commissioner considers that dumping is likely to continue from Korea and Vietnam. The Commissioner also considers that dumping by Hoa Sen is likely to recur should the measures expire.

7.6.2 Competitiveness of prices from non-subject countries

The commission did not have access to downstream Australian selling prices for goods imported from non-subject countries. To assess the relative competitiveness of exports from non-subject countries, the commission analysed weighted average quarterly FOB export prices obtained from the ABF import database for the injury analysis period and the period following the inquiry period. The commission compared export prices from Korea and Vietnam with export prices from major non-subject country suppliers to the Australian market. The analysis showed that:

- exports from Korea, Vietnam and major non-subject countries were broadly comparable throughout the injury analysis period
- export prices from subject and non-subject countries generally followed similar pricing trends over time, including periods of decline and stabilisation
- export prices from Korea remained within the range of prices offered by major non-subject country suppliers throughout most of the injury analysis period
- exports from Vietnam not subject to the measures consistently offered prices at, or below, those of major non-subject country exporters, and
- exporters from Korea and Vietnam continued to compete directly with exporters from non-subject countries for sales to Australian importers.

The commission also compared export prices during the inquiry period with export prices in the period following the inquiry period. This analysis showed that:

- price competition between exporters of the goods continued after the inquiry period
- exporters from both subject and non-subject countries remained active participants in the Australian market, and
- export prices from subject and non-subject countries continued to move within a broadly comparable range after the inquiry period.

The commission also compared the FOB export prices of the goods from China, Indonesia, Taiwan and exempt exports from Vietnam during the inquiry period and the period following the inquiry period. This analysis is shown in Figure 7 and demonstrates that:

- export prices from these suppliers remained closely aligned despite differing quarterly movements
- the exempt Vietnamese exporter consistently supplied the Australian market at prices below those of the major non-subject country exporters
- China, Indonesia and Taiwan continued to supply the Australian market at prices within a relatively narrow range, and
- non-subject country exporters offered highly competitive prices.

The commission similarly compared FOB export prices during the inquiry period with the FOB export price in the three months following the inquiry period. This analysis showed that:

- price competition between exporters of the goods continued after the inquiry period
- exporters continued to supply the Australian market at competitive prices, and
- there is no evidence that exporters from either subject or non-subject countries ceased competing for Australian sales opportunities following the inquiry period.

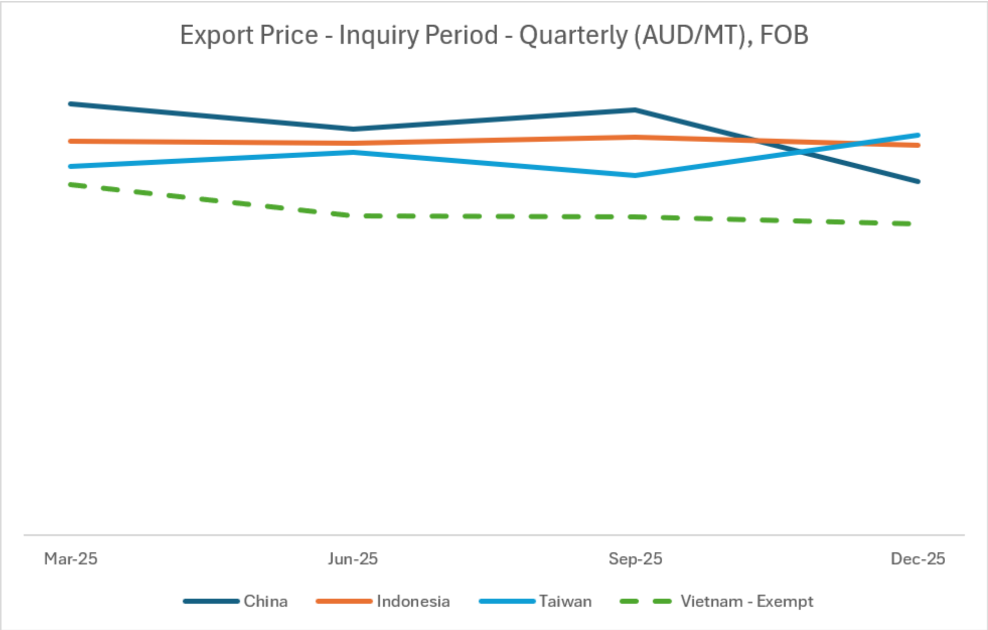

Figure 7: Weighted average quarterly FOB export price by country during the inquiry period

The Commissioner considers that, if the measures were removed, price competition between exporters of the goods in the Australian market would incentivise dumping to continue or recur.

The Commissioner considers that the close alignment of export prices between subject and non-subject countries demonstrates that exporters continue to compete aggressively for sales in the Australian market. Exporters seeking to maintain or increase volumes are likely to continue relying on price as a key competitive factor.

7.6.3 Anti-dumping actions in other jurisdictions

The Commissioner considers that trade measures imposed by other jurisdictions on aluminium alloyed steel products are relevant to assessing the export environment facing Korean and Vietnamese exporters of the goods.

In its application, BlueScope noted that a significant number of anti-dumping and countervailing measures are currently imposed by various World Trade Organization (WTO) member countries on aluminium alloyed steel products.[69] BlueScope identified 184 measures in force globally relating to these tariff classifications.

The commission notes that these measures demonstrate that exports of aluminium alloyed steel products are subject to trade remedy actions in a number of export markets. The existence of these measures may affect the ability of exporters from Korea and Vietnam to access, maintain or expand sales in those markets.

The commission had regard to the publicly available information, including OECD analysis, concerning increasing trade restrictions affecting steel products globally in response to excess steelmaking capacity and rising steel exports.[70] OECD analysis indicates that trade measures may reduce exports to the market imposing the measures and increase incentives for exports to seek alternative opportunities in less-restricted markets.[71] Australia is an established export destination for exporters from Korea and Vietnam, and exporters from both countries have maintained distribution links and continued exporting to the Australian market throughout the injury analysis period.

The Commissioner considers that the trade measures affecting aluminium alloyed steel products in other jurisdictions may increase the relative attractiveness of the Australian market and are therefore a factor supporting the likelihood that exports of the goods from Korea and Vietnam would continue, or increase, should the measures expire.

7.7 Will material injury continue or recur?

The Commissioner has preliminarily found that the expiration of the measures applying to goods exported to Australia from Korea and Vietnam would likely lead to a recurrence of material injury that the measures are intended to prevent.

This finding is based on the following significant factors:

- exports from the subject exporters, and their share of the Australian market, declined significantly following the imposition of the measures, indicating that the measures have restrained their ability to compete in the Australian market

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[69] BlueScope Steel Limited, Attachment A to the application.
[70] OECD (2025), *OECD Steel Outlook 2025.*
[71] OECD (2026), *Steel Trade and Trade Policy Developments: 2025 Edition.*

- exporters from Korea and Vietnam have sufficient excess production capacity to significantly increase exports to Australia and are likely to do so should the measures expire
- exporters from Korea and Vietnam supply, or previously supplied, some of the same customers as the Australian industry
- the Australian market is price-sensitive and importers are responsive to changes in relative prices when making purchasing decisions
- Korean imports continued to undercut the Australian industry's prices during the inquiry period, while Vietnamese imports undercut the Australian industry's prices in part of the period
- MCC-level comparisons showed that most imported models examined were priced below the equivalent goods sold by the Australian industry
- import offers from Korea and Vietnam continued to influence pricing conditions in the Australian market, including through customer negotiations with the Australian industry
- in the absence of the measures, increased volumes of dumped imports from Korea and Vietnam would likely place downward pressure on the Australian industry's prices, resulting in price depression or price suppression, or both, and consequent reductions in profit and profitability, sales volumes and market share.

7.8 Effect of the measures

Since the imposition of the measures, exports of the goods to Australia from the subject exporters have significantly decreased, as has their share of the Australian market.[72]

There is no evidence that the Australian industry experienced material injury from exports by the subject exporters while the measures were in force. The commission also notes that Hoa Sen was not found to have dumped the goods during the inquiry period.

7.8.1 Volume analysis

In the original investigation, it was found that imports of the goods from Korea and Vietnam increased substantially over the injury analysis period. Imports from the subject countries increased by 122%, their collective market share increased, and the Australian industry's market share declined relative to the beginning of the injury period.

As discussed in section 7.5.1, imports of the goods from the subject exporters declined following the imposition of the measures[73] in December 2021 and their share of the Australian market decreased. This demonstrates the restraining effect the measures had on exports from the subject countries. Further, the measures have also increased the cost of exporting the goods to Australia and reduced the ability of exporters to compete on price. In a price-sensitive market such as the market for the goods, importers are generally responsive to changes in relative costs when making their purchasing decisions.

As outlined in section 7.5.3, Korean and Vietnamese exporters retain substantial excess production capacity. Based on current verified information, the commission estimates that

[72] Section 7.5.1.
[73] Section 7.5.1.

the combined excess capacity of cooperating exporters remains substantial at approximately 3.9 times the current Australian market.[74] The commission considers that the exporters therefore have the capacity to increase exports of the goods to Australia should the measures expire.

The commission also notes that exporters from Korea and Vietnam have maintained exports to Australia, established distribution channels and commercial relationships[75] with Australian customers throughout the injury analysis period. The commission considers that these factors would facilitate an increase in export volumes should the measures expire.

Having regard to the continuing commercial presence of exporters in the Australian market, the identified excess production capacity, and the reduction in exports observed following the imposition of measures, the Commissioner considers that exporters from Korea and Vietnam would likely increase exports to Australia should the measures expire. The Commissioner considers that increased import volumes would likely displace sales currently made by the Australian industry and lead to a recurrence of material injury in the form of reduced sales volume and reduced market share.

7.8.2 Pricing analysis

The Commissioner considers that, should the measures expire, the Australian market would likely be exposed to increased volumes of dumped goods from Korea and Vietnam. As discussed in chapter 4, price is a significant factor influencing purchasing decisions in the Australian market, and competition between suppliers is primarily price based.

To assess the likely pricing effects of increased dumped imports, the commission compared prices of imported goods with prices of the Australian industry during the inquiry period. The analysis used like-for-like Australian market sales and MCC-specific comparisons, including comparisons of sales to common customers where available. The commission compared exporters' quarterly or monthly weighted-average prices, both inclusive and exclusive of dumping duty, with BlueScope's corresponding weighted-average prices at free-in-store (FIS) delivery terms.

For this comparison, the commission converted exporters' prices to an Australian FIS equivalent by adding relevant post-FOB costs, including overseas freight, marine insurance, port and customs charges, handling and delivery to the Australian customer. The pricing analysis is contained in **Confidential attachment 14: Analysis – continuation or recurrence of injury**.

The analysis indicates that Korean imports undercut the Australian industry during the inquiry period. On a weighted-average basis, comparable Korean imports were priced 4% below the equivalent Australian industry products. The degree of undercutting increased in the December quarter to approximately 5.6%. The commission considers that these results demonstrate that Korean exporters continued to compete on price notwithstanding the operation of the measures.

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[74] Refer to Confidential attachment 13: *Analysis – exports and dumping*, excess capacity analysis

[75] Sections 7.5.1 and 7.5.2, refer.

The evidence concerning Vietnamese imports was more limited because of the smaller volume of comparable Australian market sales during the inquiry period. Vietnamese imports did not undercut the Australian industry on a full-year weighted-average basis, although undercutting was observed in the December quarter. Therefore, the evidence does not demonstrate sustained undercutting by Vietnamese exporters during the inquiry period but indicates the potential for price competition should the measures expire.

The commission notes that Hoa Sen was not found to have dumped the goods during the inquiry period. Nevertheless, Hoa Sen continued to supply the Australian market at competitive price levels, including at prices below those of the Australian industry in the December quarter. The commission considers that this demonstrates Hoa Sen's continuing ability to compete on price and maintain commercial participation in the Australian market while the measures remain in force. It also indicates that the absence of dumping during the inquiry period does not detract from the likelihood that Hoa Sen would continue to compete actively on price should the measures expire. Should the measures expire, Hoa Sen would retain the ability to respond to prevailing market conditions through its export pricing decisions. However, the commission does not consider that the negative dumping margin, by itself, establishes that Hoa Sen would reduce its prices if the measures expired. Rather, considered together with Hoa Sen's continuing exports, established distribution links and available production capacity, the pricing evidence indicates that Hoa Sen would remain capable of competing for Australian sales and responding to changes in relative market prices.

The commission also examined pricing at the MCC level. The Australian industry produced all imported MCCs observed during the inquiry period, and six of the eight imported MCCs were priced below the equivalent Australian product. The largest price difference occurred in several higher-volume MCCs. This indicates that undercutting was not confined to isolated low-volume product categories.

As discussed in section 4.6, BlueScope considers competing import offers through its IPP process. Import offers from Korea and Vietnam continued to be available to Australian customers during the period examined and formed part of the competitive environment in which prices were negotiated. In some instances, customers used competing import offers when negotiating prices with the Australian industry. This evidence supports the Commissioner's view that prices offered by exporters from subject countries influence pricing conditions in the Australian market.

As discussed in sections 7.5.1 to 7.5.3, exporters from Korea and Vietnam have maintained access to the Australian market through established distribution channels and have capacity to increase exports. Where the pricing analysis excludes dumping duty, it provides an indication of the relative pricing of the imported and Australian goods without the duty component. This analysis, together with the observed pricing behaviour during the inquiry period, indicates the potential for increased price competition should the measures expire.

Having considered all of the evidence available to the commission, the Commissioner considers that the expiry of the measures would likely increase price-based competition from imports of the goods from Korea and Vietnam. The pricing analysis indicates that Korean imports continued to exert price pressure during the inquiry period, with imported goods frequently priced below equivalent Australian goods. The commission also notes that Vietnamese exporters continued to supply the Australian market and demonstrated an ongoing ability to compete at competitive price levels notwithstanding the operation of the measures. The Commissioner considers that expiry of the measures would likely place downward pressure on the Australian industry's selling prices, resulting in price depression, price suppression, or both. The Commissioner further considers that this would likely lead to the continuation or recurrence of material injury to the Australian industry, including through reduced profit and profitability.

8 NON-INJURIOUS PRICE

8.1 Preliminary finding

Having regard to the available information, the Commissioner has determined a preliminary NIP for the goods exported to Australia, being the minimum price necessary to prevent the injury, or a recurrence of the injury, to the Australian industry caused by the dumping of the goods exported from the subject countries.

The Commissioner has found that the NIP relevant to the determination of IDD payable has changed since it was last ascertained. The Commissioner preliminarily finds that, for the goods exported from the subject countries, the NIP is greater than the normal value of those goods. Accordingly, the NIP is not the operative measure, and the Minister is not required to have regard to the desirability of specifying a lesser amount of duty in respect of the goods exported by each exporter.

The calculations of the USP and NIP are contained **Confidential attachment 15: NIP calculations**.

8.2 Legislative framework

8.2.1 The non-injurious price

The NIP is defined in section 269TACA as the minimum price necessary to prevent the injury or a recurrence of the injury caused by the dumping. The NIP is a variable factor relevant to determining duty payable under the *Customs Tariff (Anti-Dumping) Act 1975* (Dumping Duty Act).

The legislation does not prescribe a calculation method for the NIP. The commission generally derives the NIP in accordance with the Manual[76] as outlined below.

- Establishing an unsuppressed selling price (USP), being a price at which the Australian industry might reasonably sell its product in a market unaffected by dumping (see below).
- Then, deducting from the USP the costs incurred in getting the goods from the export FOB point (or another point, if appropriate) to the relevant level of trade in Australia. The deductions normally include overseas freight, insurance, into store costs and amounts for importer expenses and profit.

8.2.2 The unsuppressed selling price

The Manual provides a hierarchy of options for establishing a USP:

- the Australian industry's weighted average selling price in a period unaffected by dumping or another market-based approach
- the constructed approach, using the Australian industry's CTMS data and a reasonable amount for profit, or

76 The Manual, pages 106–109.

- the price or market approach for undumped imports.

8.3 The lesser duty rule

Where the Minister is required to determine the IDD payable, section 8(5B) of the *Customs Tariff (Anti-Dumping) Act 1975* (Dumping Duty Act) applies.

Under section 8(5B) of the Dumping Duty Act, where the NIP of the goods is less than the normal value of the goods, the Minister must have regard to the desirability of specifying a method such that the sum of the export price and the IDD payable does not exceed the NIP ('lesser duty rule').

However, under section 8(5BAA) of the Dumping Duty Act, the Minister is not required to have regard to the lesser duty rule if:

- the normal value of the goods was not ascertained under section 269TAC(1) because of the operation of section 269TAC(2)(a)(ii), or
- there is an Australian industry in respect of like goods that consists of at least 2 small-medium enterprises, whether or not that industry consists of other enterprises.

Where any of the above exceptions apply, the Minister's consideration of the lesser duty rule is not mandatory, but the Minister may still wish to exercise their discretion to do so.

8.4 Commission's approach and findings

8.4.1 Approach in the original investigation

In REP 558, it was found that it was not practicable to establish the USP using the Australian industry's selling prices from a period unaffected by dumping. This was because the goods had previously been found to be dumped and injurious to the Australian industry and had been imported over a sustained period. In REP 558, the USP was constructed using the Australian industry's cost to make and sell (CTMS), plus an amount for profit. The USP was then used to calculate a NIP (at FOB) for each of Korea and Vietnam. From the USP, the importation costs associated with importing the goods from each country were deducted. The deductions were overseas freight, marine insurance, into-store costs and amounts for importer selling, general and administrative (SG&A) expenses and profit.

8.4.2 Commissioner's assessment of USP and NIP in this inquiry

For the purpose of this inquiry, the Commissioner determined a revised USP and NIP for the goods exported from Korea and Vietnam.

The Commissioner does not consider it appropriate to determine a USP using the Australian industry's actual selling prices during the inquiry period. Throughout the inquiry period, imports of the goods from a range of sources continued to compete in the Australian market and exert influence on market pricing. Therefore, the Australian industry's selling prices during the inquiry period are not a reliable basis for establishing the price that would prevail in the absence of dumped imports.

Accordingly, the Commissioner considers that a constructed USP based on the Australian industry's costs and an amount for profit is the preferred approach. The Commissioner determined a USP having regard to the Australian industry's weighted average CTMS during the inquiry period and an amount for profit based on the Australian industry's profitability in the period preceding the inquiry period.

To derive a NIP at FOB terms for goods exported from Korea and Vietnam, the commission deducted from the USP:

- an amount for importer SG&A expenses
- an amount for importer profit
- inland freight costs
- port handling and other importation costs
- overseas freight costs, and
- marine insurance costs.

In calculating these deductions, the commission had regard to information provided by Australian importers of the goods and used representative importer cost data to estimate post-exportation expenses. The commission considers that this information provides a reasonable basis for calculating the costs incurred in importing and selling the goods in Australia.

8.4.3 Application of the lesser duty rule

The Commissioner compared the NIP to the ascertained normal value for KG Dongbu, Hoa Sen, and uncooperative and all other exporters from Korea and Vietnam. The commission found that the NIP is not less than the ascertained normal value for any exporter category examined.

As the NIP is not less than the relevant normal values, the NIP is not the operative measure, because the sum of the ascertained export price and the interim dumping duty determined using the normal value does not exceed the NIP.

Accordingly, the Commissioner considers that the dumping margins determined for the relevant exporters, as outlined in Chapter 6, are the appropriate basis for determining IDD in accordance with the lesser duty rule in accordance with section 8(5B) of the *Customs Tariff (Anti-Dumping) Act 1975*.

9 FORM OF MEASURES

9.1 Preliminary findings and recommendations

The Commissioner preliminarily finds that the variable factors relevant to the determination of duty payable on the goods exported to Australia from Korea and Vietnam have changed. Consequently, the effective rates of IDD payable on the goods exported from each exporter have changed (Table 1 refers).

The Commissioner proposes to recommend that the combination duty method continue to be used to calculate the IDD payable on goods exported from Korea by KG Dongbu and uncooperative and all other exporters, and on goods exported from Vietnam by uncooperative and all other exporters.

The Commissioner also proposes to recommend that the floor price duty method be used to calculate the IDD payable on goods exported from Vietnam by Hoa Sen Group (Hoa Sen), having regard to the negative dumping margin found during the inquiry period. Nam Kim Steel Joint Stock Company (Nam Kim) remains exempt from the measures.

9.2 Legislative framework

The *Customs Tariff (Anti-Dumping) Regulation 2013* prescribes the methods available to the Minister for working out IDD payable. The methods are:

- fixed duty method ($X per tonne)
- floor price duty method
- combination duty method
- ad valorem duty method (i.e. a percentage of the export price).

The various forms of dumping duty all have the purpose of removing the injurious effects of dumping. However, in achieving this purpose, certain forms of duty will better suit particular circumstances than others. More detail on the nature and operation of the various forms of duty is contained in the *Guidelines on the Application of Forms of Dumping Duty November 2013*.

9.3 Proposed form of measures and effective rates of duty

The Commissioner considers that the combination duty method continues to be the most appropriate duty method in the current circumstances for exporters that have been found to be dumping.

In respect of exports from Vietnam by Hoa Sen, noting the slightly negative dumping margin during the inquiry period, the Commissioner considers that the floor price duty method is the most appropriate duty method. The floor price for Hoa Sen will be set as equal to the ascertained normal value for Hoa Sen and would only become payable if Hoa Sen exported goods at a price below the ascertained normal value. The floor price method is considered the most suitable duty method for Hoa Sen for similar reasons as outlined in Chapter 7.6 in which the Commissioner found that dumping by Hoa Sen would likely recur if the measures were removed.

A summary of the proposed duty methods and effective rates of IDD are in Table 15 below.

Country	Exporter	Fixed rate of IDD (%)	Duty method
Korea	KG Dongbu	2.2%	Combination
	Uncooperative and all other exporters	7.1%	Combination
Vietnam	Nam Kim Steel	Exempt	
	Hoa Sen Group	0.0%	Floor price
	Uncooperative and all other exporters	5.1%	Combination

Table 15: Proposed measures resulting from this inquiry

10 PROPOSED RECOMMENDATIONS

Based on the evidence currently available, the Commissioner is preliminarily satisfied that the expiry of the measures on the goods exported to Australia from Korea and Vietnam would likely 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 Minister take steps to secure the continuation of the measures by recommending that the notice have effect as if different variable factors had been ascertained. The rates of IDD listed in Table 15 would apply from 25 December 2026.

11 APPENDICES AND ATTACHMENTS

Confidential attachment 1	The Australian market
Confidential attachment 2	Economic condition of the Australian industry
Confidential attachment 3	KG Dongbu export price
Confidential attachment 4	KG Dongbu CTMS
Confidential attachment 5	KG Dongbu normal value
Confidential attachment 6	KG Dongbu dumping margin
Confidential attachment 7	Hoa Sen export price
Confidential attachment 8	Hoa Sen CTMS
Confidential attachment 9	Hoa Sen normal value
Confidential attachment 10	Hoa Sen dumping margin
Confidential attachment 11	Korea – Uncooperative and all other rate
Confidential attachment 12	Vietnam – Uncooperative and all other rate
Confidential attachment 13	Analysis – exports and dumping
Confidential attachment 14	Analysis – continuation or recurrence of injury
Confidential attachment 15	NIP calculations