09 September 2026

The Director - Investigations 3
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

EMAIL: investigations3@adcommission.gov.au

Dear Director,

Accelerated Review No. 708 - Steel reinforcing bar (rebar) from Indonesia

The member of the Australian industry producing like goods to the goods the subject of this accelerated review, *InfraBuild (Newcastle) Pty Ltd* (**InfraBuild**), makes this submission concerning the importance of steel grade selection and consideration of adjustments in establishing a floor price for the "new" Indonesian exporter *PT The Master Steel Manufacturing* (**Master Steel**).

Master Steel has, by its own account, not exported steel reinforcing bar to Australia or anywhere else in the review period for this accelerated review (No. 708), 1 April 2025 to 31 March 2026.

The Anti-dumping Commission has an obligation to set a floor price for this "new" exporter that will be effective to prevent future dumping into Australia capable of causing material injury to the Australian industry.

To do so, the Commission needs to form a reasonable view of the goods that are likely to be exported to Australia by the exporter once a floor price is set. An "undumped" floor price should be set based on the Indonesian domestic sales prices for the models and grades that are most alike to that which will constitute future exports to Australia by this exporter.

The grade that is predominantly exported to the Australian market by other exporters, including those based in Indonesia, is a grade that the Commission is familiar with from their recent verification in *Investigation No. 655*, namely AS/NZS 4671:2019 Grade 500N. This grade meets the minimum yield strength defined by the relevant Standard to be classified as MCC subcategory 'C' for Grade.

Given the requirements of the Australian market, it is reasonable to expect that any future exports by Master Steel would similarly comprise this grade rather than a lower-strength rebar grade that may be commonly sold domestically in Indonesia. It makes no sense to set a floor price for Master Steel based on domestic sales of lower strength Indonesian Grade BjTS 420 (Grade MCC subcategory

'B') if that is the grade commonly sold by Master Steel in Indonesia – it would render the floor price unrealistically low and completely ineffective for future sales to Australia by this exporter.

Furthermore, it is important that the Commissioner does not misinterpret the operation of the Australian/New Zealand Standard AS/NZS 4671:2019, in so far as it applies to both the New Zealand and Australian markets. This is particularly important given there is market acceptance of Grade 300 rebar within the "Earthquake" ductility class in New Zealand, but not Australia. This fundamental (and dangerous) technical error was made in the Commission's recently concluded Report No. 676, a review of the variable factors of the Chinese exporter, Baowu Group Echeng Iron and Steel Co Ltd. Master Steel's future exports to Australia would not include a grade with Minimum Yield Strength of 300Mpa (Grade 300E) as this is a seismic grade applicable to the New Zealand market.

The most appropriate Indonesian rebar grade for comparison to the future Australian export Grade 500N would be BjTS 520 (both grades are Grade MCC subcategory 'C'). If Indonesian sales of this grade are minimal, a specification adjustment to sales of Grade BjTS 420 may need to be applied. It is InfraBuild's expectation that the higher strength offered by Grade BjTS 520 would reflect a higher price when compared to sales of the lower strength Grade BjTS 420, all other bar characteristics and conditions of sale being equal. That means an upward adjustment would need to be applied to sales of Grade BjTS 420 rebar.

The representative for the exporter has stated:

> *If the Commission is satisfied that the grade of the goods Master Steel would export differs from the weighted average grade profile of its domestic sales in a way that affects price comparability, the course consistent with the Act and with the Commission's practice is an adjustment under s.269TAC(8), quantified on the evidence.* [1]

InfraBuild asks that the Commission carefully reviews Master Steel's Indonesian sales of the goods of a given diameter and length, where grade is the only difference, at a particular point in time, preferably to the same customer in the same location, in order to understand whether any price premium applies based on Grade only. That is, are higher strength grades sold for a higher price in Indonesia, all other bar characteristics and circumstances of the sale being equal? A '*weighted average grade profile*' assessment of Master Steel's domestic sales as prepared by the exporter's

[1] EPR 708 Folio No. 6 at p5.

representative, may not answer that question conclusively. Any claimed adjustment based on costs, also requires careful testing to ensure that price comparability has in fact been affected.

We note the Commission's stated practice on *Section 269TAC(8)* adjustments:

> *The Commission seeks relevant data and* ***makes adjustments where evidence exists that a particular difference <u>has affected price comparability</u>****.*
>
> And,
>
> ***Where based on costs****, it is subject to the principle that* ***adjustments will be made <u>only</u> where evidence indicates that <u>price comparability has been affected</u>****.*[2]

If Master Steel's domestic sales consist predominantly of Grade BjTS 420 rebar and those sales are used without an appropriate upward adjustment to establish normal value, the resulting low floor price would undermine the effectiveness of the measure and increase the risk that future exports could enter the Australian market at dumped prices.

This concern is particularly acute in the context of an Accelerated Review. Once established, the floor price will remain in place until the next opportunity for variable factors to be reviewed. InfraBuild therefore urges the Commission to ensure that the measure is robust and capable of preventing future dumping from the outset.

InfraBuild further requests that the Commission disclose in its final report, their consideration of domestic and future export grades and the nature of any specification adjustments made. A generic statement that a specification adjustment was made on an 'either add or deduct'[3] basis is unhelpful in providing any transparency or reassurance to interested parties as to the effectiveness of the floor price going forward.

FOR AND ON BEHALF OF

THE AUSTRALIAN INDUSTRY
InfraBuild Steel

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[2] *Dumping and Subsidy Manual* at p.51
[3] REP 655 adjustment summary tables for multiple exporters.