



**Australian Government**  
**Australian Customs and**  
**Border Protection Service**

Customs House  
5 Constitution Ave  
Canberra  
ACT 2601

Mr Daniel Moulis  
Principal, Moulis Legal  
1/2 Brindabella Cct  
Brindabella Business Park  
Canberra International Airport  
ACT 2609

By email

Dear Daniel,

**INVESTIGATION INTO THE ALLEGED DUMPING OF  
HOLLOW STRUCTURAL SECTIONS (HSS) EXPORTED FROM THE PEOPLE'S  
REPUBLIC OF CHINA (CHINA), THE REPUBLIC OF KOREA (KOREA), MALAYSIA,  
TAIWAN AND THE KINGDOM OF THAILAND (THAILAND)**

**AND**

**INVESTIGATION INTO THE ALLEGED SUBSIDISATION OF  
HSS EXPORTED FROM CHINA**

I refer to the responses to the Government Questionnaire (GQ) and Supplementary Government Questionnaire (SGQ) in the above investigation, submitted by Moulis Legal on behalf of your client, the Government of China (GOC), on 6 December 2011 and 2 March 2012 respectively.

The Australian Customs and Border Protection Service (Customs and Border Protection) thanks the GOC for the provision of a significant amount of requested information in its response to the GQ and SGQ, and for its offer to facilitate a potential visit by Customs and Border Protection representatives to China to conduct verification of the submitted information. However, it is considered that no such verification is necessary or warranted at this stage.

This is due to the fact that, after reviewing the information provided by the GOC in response to the GQ and SGQ, Customs and Border Protection considers that the GOC's responses to these questionnaires contain limited information that is by nature 'verifiable', and primarily consists of written responses and documentation that does not lend itself to verification.

In particular, it is noted that the GOC has not provided a complete response to Question D1.6 of the GQ (receipt of alleged subsidy programs by all HSS exporters), which is considered to be the primary information requested that would lend to verification.

Further, it is considered that other information provided that is of a verifiable nature (e.g. import/export statistics, production volumes of HRC manufacturers) is able to be remotely verified with the GOC if necessary, and hence does not warrant a specific verification visit.

It is noted that, during previous investigations (which have involved two separate verification visits to the GOC), the GOC has provided similar information to that provided in the current investigation, and has not provided widespread receipt data for alleged subsidy programs. In the absence of this verifiable information, it has been Customs and Border Protection's experience that previous verification visits with the GOC have taken the form of broad question and answer sessions surrounding GOC policies, regulations, laws and market activity.

If questions of this nature are deemed necessary, it is considered that it would be more practicable in the context of the HSS investigation to pose these to the GOC in the form of supplementary government questionnaires or requests for comment, rather than during face-to-face meetings with GOC officials.

It is observed that this approach would provide the GOC with the opportunity to formulate more comprehensive and researched answers than would be possible during face-to-face meetings.

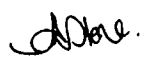
Having noted the above, Customs and Border Protection considers that it may, at a later date, determine that a verification meeting with the GOC is desirable (particularly if further information is furnished by, or requested of, the GOC).

Additionally, Customs and Border Protection wishes to stress that the decision not to undertake verification at this stage does not preclude it from posing further questions of the GOC, or seeking further clarification of submitted information in relation to the ongoing investigation.

Customs and Border Protection welcomes the GOC's comments on this position. However, as the Statement of Essential Facts for this investigation is due to be placed on the Public Record on or before 23 April 2012, the GOC is encouraged to respond to the above, if it wishes to do so, as soon as possible.

Please do not hesitate to contact me if you have any questions regarding this matter, or the investigation into HSS generally.

Sincerely



Andrea Stone  
Manager Operations 3

on behalf of

Geoff Gleeson,  
Director Operations 3  
International Trade Remedies Branch

15 March 2012