

Australian Government Department of Industry, Innovation and Science

Anti-Dumping Notice No. 2018/103

Public notice under subsection 269TC(4) of the *Customs Act 1901*

Ammonium Nitrate

Exported from the People's Republic of China, Sweden and the Kingdom of Thailand

Initiation of an investigation into alleged dumping

Customs Act 1901 – Part XVB

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have initiated an investigation following an application lodged by CSBP Limited, Orica Australia Pty Ltd and Queensland Nitrates Pty Ltd, all of which are manufacturers of ammonium nitrate in Australia. The application seeks the publication of a dumping duty notice in respect of ammonium nitrate exported to Australia from the People's Republic of China (China), Sweden and the Kingdom of Thailand (Thailand).

The application alleges that the goods have been exported to Australia from China, Sweden and Thailand at prices less than their normal value. The application alleges that dumping has caused material injury to the Australian industry through:

- decline in production;
- reduced sales volumes;
- reduced revenues;
- price depression;
- price suppression;
- reduced profit and profitability;
- reduction in return on investment;
- lower capacity utilisation; and
- reduction in employment.

The non-confidential version of the application, which contains the basis of the alleged dumping and injury, is available on the public record.

Particulars of the reasons for the decision to initiate this investigation are in *Anti-Dumping Commission Consideration Report No.* 473 (CON 473), which is available on the public record.

The date of initiation of this investigation is the date of publication of this notice.

The goods

The goods the subject of the application (the goods) are:

Ammonium nitrate, prilled, granular or in other solid form, with or without additives or coatings, in packages exceeding 10kg.

Tariff classification

The goods are generally classified to tariff classification 3102.30.00 (statistical code 05) in Schedule 3 to the *Customs Tariff Act 1995*.

This tariff classification and statistical code may include goods that are both subject and not subject to this investigation. The listing of this tariff classification and statistical code is for convenience or reference only and does not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods that are the subject of this investigation.

Investigation process

The investigation period is 1 April 2017 to 31 March 2018. I will examine exports to Australia of the goods during this period to determine whether dumping has occurred. I will examine details of the Australian market from 1 April 2014 for injury analysis purposes.

Where the Assistant Minister for Science, Jobs and Innovation (the Assistant Minister)¹ is satisfied, as to goods of any kind, that:

- (a) the amount of the export price of the goods that have already been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

the Assistant Minister may, by public notice, impose interim dumping duties.²

Where there are grounds for the Assistant Minister to publish a dumping notice in respect of the goods, I will examine whether the trade in the dumped goods gives rise to a retrospective notice being published pursuant to section 269TN of the *Customs Act 1901* (the Act), and make recommendations to the Assistant Minister accordingly.

Public record

I must maintain a public record of each investigation. Documents included in the public record are available at <u>www.adcommission.gov.au</u>.

¹ On 20 December 2017, the Prime Minister appointed the Parliamentary Secretary to the Minister for Jobs and Innovation as the Assistant Minister for Science, Jobs and Innovation. For the purposes of this investigation, the Minister is the Assistant Minister for Science, Jobs and Innovation.

² In accordance with section 269TG of the *Customs Act 1901*.

The public record will contain, among other things, a copy of the application, CON 473 and copies of all non-confidential submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the investigation.

Lodgement of submissions

Interested parties, as defined in subsection 269T(1) of the Act, are invited to lodge submissions concerning the publication of the dumping notice sought in the application, no later than the close of business on **1 August 2018**, addressed to:

The Director, Investigations 2 GPO Box 2013 CANBERRA ACT 2601 AUSTRALIA

or by email to investigations2@adcommission.gov.au, or by fax to +61 3 8539 2499.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged by the due date. Interested parties should note that I am not obliged to have regard to a submission received after the date above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts on the public record.

Interested parties should also note that I am directed³ to consider the matters set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* in certain circumstances. This is available at <u>www.legislation.gov.au</u>.

Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the statement of essential facts.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests; or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY". Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above (clearly marked "PUBLIC RECORD").

³ Certain powers and functions under the *Customs (Extensions of Time and Non-cooperation) Direction* 2015 have been delegated to the Anti-Dumping Commission's General Managers (Anti-Dumping Notice No. 2017/10, available at <u>www.adcommission.gov.au</u>, refers).

Lodgement of exporter questionnaires

Exporters of the goods to Australia are invited to participate in this investigation by completing the exporter questionnaire and the associated spreadsheets by **1 August 2018**.

The exporter questionnaire and the associated spreadsheets are available under the case information for ADC 473 (which can be found under 'Cases' on the Anti-Dumping Commission's (the Commission's) website). Alternatively, exporters can email <u>investigations2@adcommission.gov.au</u> and the Commission will forward the exporter questionnaire and spreadsheets for completion.

Provisional measures

Pursuant to section 269TD of the Act, I will make a preliminary affirmative determination (PAD) provided I am satisfied that there appears to be sufficient grounds for the publication of a dumping notice or there appears that there will be sufficient grounds for the publication of a dumping notice subsequent to the importation of the goods into Australia. This can occur no earlier than day 60 of an investigation.

In accordance with section 269TD of the Act, the Commonwealth may apply provisional measures, including the taking of securities under section 42 of the Act, in respect of interim dumping duties that may become payable on the goods, where a PAD has been made.

Where a PAD is not made 60 days after initiation of the investigation, the *Customs* (*Preliminary Affirmative Determinations*) *Direction 2015* (the PAD Direction) directs me to publish a status report providing reasons why a PAD was not made. The PAD Direction is available on the Federal Register of Legislation website, <u>www.legislation.gov.au</u>.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed in order to enable me to report to the Assistant Minister within the legislative timeframe. In accordance with section 269TDAA of the Act, a statement of essential facts will be placed on the public record by **13 October 2018**, or by such later date as allowed in accordance with section 269ZHI of the Act.⁴ The statement will set out the essential facts on which I propose to base my recommendations to the Assistant Minister. Interested parties are invited to lodge submissions in response to the statement within 20 days of the statement being placed on the public record.

Submissions received in response to the statement of essential facts within 20 days of that statement being placed on the public record will be taken into account in completing the report and recommendation to the Assistant Minister.

⁴ On 19 January 2017, the former Assistant Minister delegated the powers and functions of the Minister under section 269ZHI of the Act to the Commissioner of the Anti-Dumping Commission. Refer to Anti-Dumping Notice No. 2017/10 for further information.

Report to the Assistant Minister

A recommendation to the Assistant Minister will be made in a report on or before **27 November 2018** (or such later date as allowed under section 269ZHI), on the basis of the examination of exportations of the goods to Australia during the investigation period, unless I terminate the investigation.

The Assistant Minister must make a declaration within 30 days after receiving the report, or such longer period as the Assistant Minister considers appropriate.

Anti-Dumping Review Panel

Certain persons will have the right to seek review of either a decision by me to terminate the investigation, or a decision of the Assistant Minister to publish or not to publish a dumping duty notice after considering my report, with the Anti-Dumping Review Panel in accordance with Division 9 of Part XVB of the Act.

Interested party list

Throughout the investigation, the Commission will maintain a list of interested parties. Updates on the investigation will be sent to parties on this list. If you would like to be added to the interested party list, please email <u>investigations2@adcommission.gov.au</u>.

Anti-Dumping Commission contact

Enquiries about this notice may be directed to the Case Manager on telephone number +61 3 8539 2424, or <u>investigations2@adcommission.gov.au</u>.

Dale Seymour Commissioner Anti-Dumping Commission

25 June 2018